



Resource Map of Expenditures for Tennessee Children

**Tennessee Commission on Children and Youth
Annual Report – April 2019**





STATE OF TENNESSEE
TENNESSEE COMMISSION ON CHILDREN AND YOUTH

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TO: Members of the Tennessee General Assembly
FROM: Richard Kennedy, Executive Director
Rose Naccarato, Data and Communication Director
DATE: April 15, 2019
RE: *Resource Mapping 2019 Report*

In accordance with 2008 Public Chapter 1197, codified as TCA 37-3-116, included in this report as Appendix A, attached please find the *Resource Mapping 2019 Report* of federal and state expenditures for services for Tennessee children. This report includes data for FY 2017-18.

TCCY appreciates the assistance of the many staff across state government who made the collection of data for the *Resource Mapping 2019 Report* possible. Collaborators in providing the information essential for developing this report have worked to achieve accuracy. However, the complicated nature of the state budget means there is a possibility of duplicate reporting. TCCY and state department/agency staff have made conscientious efforts to avoid duplicate counting, but this is especially challenging when the same dollars are included in multiple state departmental/agency budgets as “interdepartmental funding.” In order to avoid double counting of funds, the Resource Mapping Project counts all funds directed toward children in the department making the actual program expenditures.

It is also challenging to properly classify source funds when interdepartmental transfers are so prevalent. The data reporters in the departments receiving transfers are not always aware of the mix of fund sources behind the transfer. This comes up frequently, for instance, with TennCare funds. TennCare receives a mix of state and federal funds, though the exact levels of each can vary by program. TennCare pays for services for children and families in the Department of Children’s Services, the Department of Health, and former Governor Haslam’s Children’s Cabinet and here at TCCY for kidcentraltn.com. Basic TennCare services follow the Federal Medical Assistance Percentage (FMAP), which changes every year but is usually around two-thirds federal and one-third state for Tennessee. Some TennCare programs, however, reflect a 50/50 federal/state mix, such as the dollars TennCare contributes to kidcentraltn.com. Other programs might reflect other mixes. Data reporters make great efforts to report correctly the sources of their interdepartmental funding.

This is our first Administration change directing the Resource Mapping project. Part of this experience has been that departments are examining their processes. A group of career employees across departments—some in accounting, some in data divisions and some in

program management—report expenditure and other program data in an online database every year that we then combine across departments and analyze in various ways. This year, many supervisors have examined the process more closely than usual, asking questions about what is reported and why.

In addition to this leading to plans for improvements in the scope and accuracy of the data, it has focused our thinking on why we do this report every year. This is not an exercise in data reporting. This is an attempt to look at how much we invest in children and youth, how we invest it, and whether or not those investments are paying off. This is not an easy topic to investigate. Picking off the chunks of programs that are intended primarily for children can be a challenge. For some departments, like Children's Services or Education, the divisions between children's programs and adult programs have mostly happened naturally and expenditures on children are not so hard to separate. But many departments mostly serving adults have a few programs primarily benefiting children. Many have programs where children are an identifiable subset of the people who benefit. Others have programs where children are a substantial subset of the people who benefit but are not identifiable separately in expenditures or in numbers of people served. These are more difficult, full of estimates and judgment calls.

Mapping resources invested in Tennessee children and youth is a living process that improves at least a little bit every year. We are always identifying programs we should be including; a new department or commission has been added every year. This year, we add two programs in the Department of the Military. We also return to counting a program at the Tennessee Council on Developmental Disabilities. We count former Governor Haslam's Children's Cabinet for the last time. Staff changes at the UT Institute of Agriculture led to a review of 4-H data on the website and in budget documents that brought up questions about ways 4-H data might be reported in different programs that target different age groups and about whether or not expenditures relying on revenues from the 4-H Foundation should be included in reporting. These are the kinds of questions that are put on the list to think about for next year's report.

Last year, we included a recommendation in the Resource Mapping report that Tennessee should create an interdepartmental integrated database tracking services and outcomes. After we published our recommendations, one of our own TCCY commission members told us that the state's P-20 database (formed under the Race to the Top grant) was well on its way to being just that. Almost no one seemed to know about it. It was the most exciting, best unintentionally kept secret in Tennessee children's data. Staff at TCCY have been pursuing involvement in the groups that manage the P-20 database, its growth and administration. We hope to be part of it becoming an evaluation tool that can help us identify where tax dollars are most efficiently spent to improve outcomes for children, youth and families. Because, in the end, that is why we do Resource Mapping: to inform, to evaluate, to improve.

The process provides exciting prospects for better understanding Tennessee's financial commitment to the state's children. We look forward to continued improvement in our process and product and stand ready to answer any questions you might have.

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Tennessee Commission on Children and Youth
Authorization Number 316095. April 2019. 200 copies.
This public document was promulgated at a cost of \$11.04 each.



Resource Mapping 2019

Tennessee benefits when citizens work with the public sector to maintain our way of life through careful stewardship of our public structures – whether law enforcement, highways, libraries, colleges or services for children. Our public systems must be stable to guarantee Tennessee’s citizens can continue to look forward to a quality of life that provides the foundation for a healthy state.

The revenue and budgets that support public structures are a system of forward exchange: we pay taxes forward, not for immediate exchange for goods and services, but so we have them available in the future. In the same way, the public goods and services we have now (schools, bridges, libraries, roads, public health, etc.) were funded by taxes paid in the past. Interrupting the forward exchange by cutting taxes or essential services now can leave the next generation behind in the future, both in the sense that costs will be higher and that meeting higher needs will be less affordable.

The state budget is the instrument we use to plan for the future, and it reflects our shared priorities. Over the past several decades Tennessee has established public-private and state-local partnerships to implement essential “infrastructure” services for children, families and vulnerable Tennesseans. These basic public supports developed in our child welfare, education, health, human services, juvenile justice, mental health and disability services systems are interrelated; therefore weakening public structure resources in one system erodes the strength of the foundation in all systems.

These services and supports provide children with opportunities to thrive, become productive citizens, remain with their families, succeed in school and become part of Tennessee’s economic engine of the future. They do this by improving health and educational opportunities and reducing child abuse and involvement with child welfare and juvenile justice systems.

Our legacy cannot be one of dismantling public-private and state-local partnerships supporting the infrastructure of services for children and families in Tennessee. Many endangered partnerships provide essential services and supports to help children be healthy and supported in their homes, families and communities. If these services are abolished, more children will fail in school; have health, mental health and substance abuse problems; and enter the child welfare and juvenile justice state custody systems, while fewer children will be prepared to be active citizens and productive adults. We must ensure these partnerships survive to maintain essential services and supports that provide the foundation for a brighter, more prosperous future for Tennessee.

The future of Tennessee depends on its ability to foster the health and well-being of the next generation. Capable children are the bedrock of a prosperous and sustainable Volunteer State. Sound policies have been instrumental in improving outcomes for Tennessee children, and adequate services and supports are essential to ensure our children are healthy and educated for success in the workforce of tomorrow.

In Fiscal Year 2015-16, Tennessee launched *Building Strong Brains: Tennessee (BSB TN)* to prevent and mitigate the impact of adverse childhood experiences – ACEs – because of their life long impact on both individuals and communities. The original ACEs identified in the seminal study by Kaiser Permanente and the Centers for Disease Control in the mid-1990s included physical, emotional and sexual abuse, physical and emotional neglect, parental mental illness and substance abuse, domestic violence, parental incarceration, and parental absence due to divorce, separation or single parenthood. More recent studies indicate additional undesirable conditions, including poverty, racism, bullying and community violence also create toxic stress that disrupts the architecture of the developing brain in young children.

The early years of life matter because the basic architecture of the human brain is constructed through an ongoing process that begins before birth and continues into adulthood. Early experiences literally shape how the brain is built, establishing either a sturdy or a fragile foundation for all the development and behavior that follows. Left unaddressed, ACEs and their impact make it more difficult for a child to succeed in school, live a healthy life, and contribute to the state’s future prosperity – our communities, our workforce, and our civic life.

The *BSB TN* public-private partnership focuses on increasing awareness of the impact of ACEs and renewed and focused efforts to prevent and mitigate them. All partners are committed to creating a new culture in Tennessee focusing on preventing ACEs and toxic stress from damaging future generations and harming the state’s prosperity. Addressing ACEs requires a two-generation approach helping children and their parents and caregivers understand the importance of safe, stable, nurturing environments and relationships.

BSB TN efforts to change the culture in Tennessee emphasize revisions in philosophy and approach, policies and funding, programs and services, and professional practice across multi-sector, multi-level public and private entities. This focus on preventing, mitigating and treating the impact of adverse childhood experiences works to shift interactions with clients, students, patients, residents and other service recipients from “What is wrong with you? Why are you a problem?” to “What has happened to you and how can we wrap services and supports around you and your family to help mitigate the impact of those experiences?”

Tennessee achieved its best ranking (35th) ever in the 2017 Annie E. Casey Foundation’s *KIDS COUNT Data Book* and maintained it in 2018. The state’s rank is the best in the 29 years of *KIDS COUNT* scoring states on child well-being. We know good public policies contribute to better outcomes, and changes in rankings reflect the value of both good public policies and how investments in essential services and supports can impact results.

Resource Mapping provides data to help develop a clearer understanding of services and programs for children in Tennessee. This information can better inform the Governor and members of the General Assembly in developing policy, setting goals and making decisions regarding the allocation of funds.

Tennessee is heavily reliant on federal funding for the public structures that provide many of the essential services and supports for Tennessee children and families. In FY 2017-18, federal expenditures accounted for a significant portion of all dollars spent on children through the Tennessee state budget (38 percent). While federal expenditures in Tennessee have generally increased over time, there have been reductions in some years. FY 2013-14 saw a decline in federal dollars as American Recovery and Reinvestment Act of 2009 (ARRA) funds were exhausted, and TennCare pharmacy rebates were reclassified of as “other expenditures” rather than a combination of state and federal expenditures. After recovering somewhat in FY 2014-15, federal funds flowing through the state budget to support children and families declined again in FY 2015-16 and have continued to do so through 2017-18.

Over the 11 years of reported resource mapping data, total expenditures for children in Tennessee have increased each year, largely on the strength of steady Basic Education Program (BEP) increases. Perhaps the most basic state responsibility for children is education. Tennessee’s BEP distributes funding to local education agencies and is the largest single category of expenditures for children. It is entirely funded by state dollars. State BEP funding has steadily risen with increases generated by the formula each year and by changes in state support for teacher salary and insurance. The importance of educational funding cannot be overstated; however, it is equally true that children who are NOT safe, healthy, supported and nurtured, and engaged in productive activities will have more difficulty learning.

After the BEP, TennCare is the largest funding category, followed by the Departments of Education (non-BEP dollars), Human Services, and Children’s Services. Department of Health expenditures for children are lower than these other major departments because most health expenditures for children come through TennCare. Likewise, the Department of Mental Health and Substance Abuse Services funding for services for children is lower than the other primary departments, but TennCare funding for mental/behavioral health services totaled over \$223 million in FY 2017-18.

Almost 40 percent of all expenditures for children in FY 2017-18 were federal dollars. When required matching and maintenance of effort (MOE) dollars for agencies that provide the major federally funded services to children and youth are considered, reliance on federal funding is even more apparent. *Excluding* the BEP, seven of every ten dollars spent on services for Tennessee children and families in FY 2017-18 were from federal funding sources. State funding accounted for 25 percent of all non-BEP expenditures in FY 2017-18. Excluding the BEP, almost nine of every 10 dollars in the state budget for children—88 percent—in FY 2017-18 were either federal or required as match/MOE for federal funding.

Federal funding provides the infrastructure for essential services and supports for children to be safe, healthy, nurtured and supported, and engaged in productive activities. Federal funding also constitutes over 11 percent of the nearly \$11 billion spent to educate Tennessee children in FY 2017-18.

TennCare/Medicaid is the largest source of federal funding for health and mental health services for children. These dollars provide children with preventive care to keep them healthy as well as medications and treatment when they are ill. Good health in children provides the foundation for healthy and productive adults. Children who suffer from chronic illnesses like diabetes and asthma without a secure medical home and access to health insurance are less likely to do well throughout their lives.

TennCare also provides the funding for most mental health services for children. Children who have untreated mental health needs are at greater risk of doing poorly in school and having disruptive behaviors that challenge parents at home and teachers in the classroom. Too often, untreated mental health issues put children at greater risk of substance abuse through self-medicating, and also place them at greater risk of entering state custody, either because of their behaviors or in order to access services they need.

Though slated for an increase, in FY 2017-18 Federal Temporary Assistance for Needy Families (TANF), known as Families First in Tennessee, provided financial assistance to very poor children, at a maximum of \$185 per month for a mother and two children, the typical Families First case. Important federal programs help reduce hunger in children and better enable them to receive essential nutrients for healthy, growing bodies and developing brains. The Supplemental Nutrition Assistance Program (SNAP—commonly known as Food Stamps) provides low-income families with access to food to help improve the quality of their diets. The Women, Infants and Children (WIC) nutrition program provides baby formula, cereals, milk, eggs and cheese for pregnant women and young children to help improve outcomes for growing babies and help children stay healthy. The free and reduced-price school lunch and breakfast programs couple with SNAP and other nutrition programs to keep children healthy and better able to learn in school. Research demonstrates hungry children have a difficult time paying attention and learning.

As Pope Francis wisely observed: "A population that does not take care of the elderly and of children and the young has no future, because it abuses both its memory and its promise." The German theologian Dietrich Bonhoeffer is similarly quoted as saying "The test of the morality of a society is what it does for its children."

Resource mapping data presents a variety of opportunities to debate how well Tennessee is doing on that test. Ensuring all Tennessee children are safe, healthy, educated, nurtured and supported, and engaged in opportunities to succeed in school and in life provides a secure future for all Tennesseans. Identifying financial needs for necessary services is only the beginning. The long-term goal is sustaining and improving the fragile infrastructure that supports Tennessee children, who fuel the economic engine for the state's future.

Recommendations

Increase Funding for Prevention, Early Intervention, and Services for Young Children

Resource mapping data reveals prevention and early intervention services cost significantly less per child than more intensive intervention. However, these less costly, but often more effective services generally do not receive the resources necessary to prevent many poor outcomes that end up costing taxpayers more in the long term for more costly and more intensive interventions. The research is increasingly clear: the biggest return on investment for public expenditures is services for young children that provide them enhanced opportunities to achieve their full potential and prevent costly and avoidable remedial expenditures.

In 2013, the Robert Wood Johnson Foundation Commission to Build a Healthier America released a report entitled “Time to Act: Investing in the Health of Our Children and Communities.” Recommendation number one in the report is as follows: “Make investing in America’s youngest children a high priority. This will require a significant shift in spending priorities and major new initiatives to ensure that families and communities build a strong foundation in the early years for a lifetime of good health.”¹

The future health and well-being of Tennessee children, and therefore the future prosperity of the state, depends on what we do for them in the early years. Resource mapping data clearly suggests we are not doing enough.

Building Strong Brains Tennessee focuses on preventing and mitigating the impact of adverse childhood experiences. Research demonstrates the importance of providing safe, stable, nurturing environments and relationships, especially in the early years when the impact on the developing brain is most significant. Maintaining and expanding existing prevention and early intervention services is critical. Continuing to focus on ACEs is important to ensure innovative and forward-thinking programs continue to achieve their potential to improve outcomes for Tennessee children, families and communities.

Access Federal Medicaid Funds

The easiest and most beneficial way for Tennessee to infuse substantial additional federal dollars (*estimated at \$8.2 million per day*²) into the state’s economy would be to accept Medicaid expansion funding for TennCare. The multiplier effect of additional federal expenditures is substantial. The benefits would accrue to children and families, the state’s health care system (especially rural hospitals whose survival is in jeopardy), and the state’s economy as a whole.

Children with health care coverage are more successful in school. Health insurance provides access to services allowing children to miss fewer days and receive treatment for illnesses such as asthma or ear infections that, if left untreated, could limit educational opportunities and cause life-long disability. The Early and Periodic Screening, Diagnosis and Treatment available to children enrolled in TennCare increases opportunities for more effective treatment at an

¹ Robert Wood Johnson Foundation. 2014. <http://www.rwjf.org/content/dam/farm/reports/reports/2014/rwjf409002>

² <https://www.urban.org/sites/default/files/publication/22816/413192-What-is-the-Result-of-States-Not-Expanding-Medicaid-.PDF>

early stage, preventing minor conditions from deteriorating into problems that are more serious and more costly and difficult to treat. Children with serious emotional disturbances, severe mental illness or significant substance abuse issues can access treatment, avoiding academic delays or the need for state custody to gain health care coverage eligibility.

Children benefit when their mother has access to health care before they are born. Young adult women with access to health care are healthier when they become pregnant and more likely to receive regular prenatal care, ensuring a greater likelihood of giving birth to a healthy baby, and reducing infant mortality, low birth weight and other poor birth outcomes. The number of births to mothers suffering from substance abuse issues is at alarming rates in Tennessee.

Additional federal funding, and the health insurance it provides, would improve access to substance abuse treatment for young women before and during pregnancy, preventing some of the negative health outcomes of Neonatal Abstinence Syndrome and legal intervention leading to state custody. If all uninsured low-income children in Tennessee were eligible for enrollment, then unnecessary placements in state custody to access health care services could be avoided, and those children who did come into state custody would already have an insurance provider, easing access to treatment services.

Expanding insurance coverage to low income adults will increase health care access for more eligible children. Parents with health care coverage are more likely to enroll their eligible children and keep them enrolled, reducing coverage gaps and maintaining continuity of care. Covering parents makes it more likely children receive both necessary and preventative care. Children with insured parents are more likely to receive regular check-ups and immunizations. Coverage for young adult mothers enables them to better navigate the health care system and coordinate their family's health care needs, and empowers them to use health care resources more efficiently and effectively.

Parent's health care needs also affect their children's lives. Parental mental illness and substance abuse are two of the original adverse childhood experiences (ACEs) that can cause toxic stress and disrupt brain development in young children with potentially lifelong consequences. Parents with untreated health, mental health and substance abuse issues are unable to provide their children the safe, stable, nurturing relationships necessary to mitigate the impact of ACEs and help children succeed in school and in life. Providing access to treatment for parents with mental health and substance abuse issues gives families opportunities to stay intact and avoid more drastic interventions, such as out of home placement.

Health care coverage for low-income parents also improves family financial well-being by reducing the impact catastrophic illness or injury can have on family finances. Medical bills from treatment of catastrophic illness or injury are among the leading causes of personal bankruptcy in Tennessee. Insurance coverage provides security to low-income families so that medical bills do not leave them destitute and unable to save and invest in their family's future.

Enhance Opportunities for the State to Receive Federal and Other Funding

The resource mapping data demonstrate a heavy reliance on federal funding for the provision of essential services and supports for children and families. The state must continue to take advantage of all possible sources of federal and other external funding consistent with state purposes and goals. One of the main barriers to departments' ability to receive additional funding is the often lengthy approval process in the state system. A more timely/expedited approval process for authorization to spend grant dollars is needed. Delays in General Assembly approval for federal, foundation or other funding are a substantial deterrent to applying for such funding, even when it would be very beneficial for the state and Tennessee children, and especially when programs must be implemented and/or funds must be expended within a relatively short timeframe.

Further Develop an Integrated Data System in Tennessee

State governments have a lot of data. Every program in state government tracks its expenditures and services in some fashion, but the data are not linked across systems to allow analysis to identify programs that address needs most efficiently. Under its race to the Top grant, the state began this process with the P-20 database, which now houses data from several departments. But a true integrated data system would have data from more departments and would be open to use by evaluators, researchers and policymakers. Further adaptation of the P-20 database may be the best path forward or development of something new may be better. Either way, integrating service data has much to offer Tennessee in tracking funds and evaluating programs.

In the long run, the cost savings that could be realized from better understanding expenditures across programs and from integrating and improving services are substantial, and children and families stand to benefit from policy based more firmly on evidence of effectiveness.

Resource Mapping FY 2017-18 Data

The program and fiscal information contained in the **Children and Youth Program Expenditures online application** was completed by all departments with programs serving children and youth. The online database was designed to collect extensive, detailed information about each of the programs to enable TCCY to compile, analyze and present data in a variety of ways.

Resource Mapping Statewide Overview

Fiscal Year 2017-18

Number of Agencies	30
Number of Data Records	6,546
Number of Children Served, with duplicates	30,031,365
Total Expenditures	\$10,034,769,689

Source: Tennessee Commission on Children and Youth Resource Mapping Project

The number of agencies reporting has increased by two since last year, as the Department of Military reported for the first time this year, including two very different National Guard programs. In addition, the report is recapturing the Tennessee Council on Developmental Disabilities' spending on youth leadership and self-advocacy training. This program was reported some years ago. Reporting stopped when it had no expenditures for a few years. Once expenditures began again, it was not immediately picked back up in Resource Mapping. But it is included again this year.

Departments/agencies reported the number of children served by each of their programs. Most Tennessee children receive services from multiple departments/agencies. For example, virtually all children who receive Families First (Temporary Assistance for Needy Families) also receive TennCare (Medicaid) and Supplemental Nutrition Assistance Program (SNAP, commonly known as Food Stamps), and many also receive child care assistance. School-age children who attend public schools receive services from a variety of funding streams, and they may participate in many other activities that receive state support, such as afterschool programs, 4-H, arts education programs, and universal prevention services.

The Department of Education, for example, reports 968,012 children served by the Basic Education Program (BEP), which funds all K-12 students in public schools. The department also lists 16,887,967 K-12 students served by its other programs. When the two are totaled, the Department of Education has reported serving over 18 times the actual number of K-12 students in public schools because many of the same students are served by multiple programs. The reported numbers of children served by all state- and federally-funded programs total 30,031,365 for FY 2017-18.

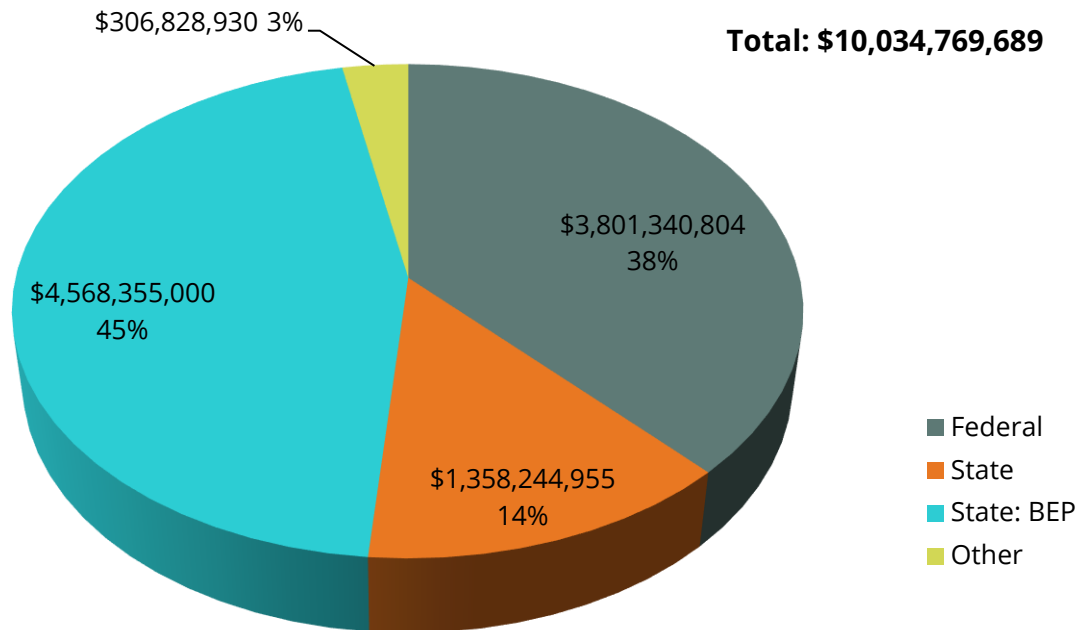
Data systems in Tennessee are currently inadequate to precisely track the estimated 1.5 million children across multiple services and across departments/agencies. They also do not tell us whether the children receiving services had one or multiple contacts with each program reporting them. The valuable information that might be gained from such an integrated data system is something the Resource Mapping Project has begun to recommend strongly. Several states have data systems that are more integrated, allowing for better counts of people served and better tracking of what is effective for people and what is not. Tennesseans' privacy is always a concern, especially for children, but other states have succeeded in maintaining data confidentiality while integrating information across systems. This could mark a significant advance for Tennessee. The state's P-20 data system (created under the Race to the Top grant) already has a solid start in this direction and could be an excellent resource to expand.

The number of data records/programs is calculated as consistently as possible across departments by treating all reported sub-state programs the same. The 6,546 total above counts statewide programs with no sub-state reporting once and then adds the number of sub-state programs. So a program reported for all of Tennessee's 95 counties creates 95 records. A similar program reported only at the state level (though perhaps with services delivered at the county level that are either not tracked by county or just not reported by county) would only count as one record. We continue to encourage programs to report county-level data where it exists.

When Basic Education Program (BEP) state funds and other state funds are combined, almost 60 percent of expenditures on children and youth in Tennessee were state dollars in FY 2017-18. Analysis later in the report consider expenditures excluding the BEP.

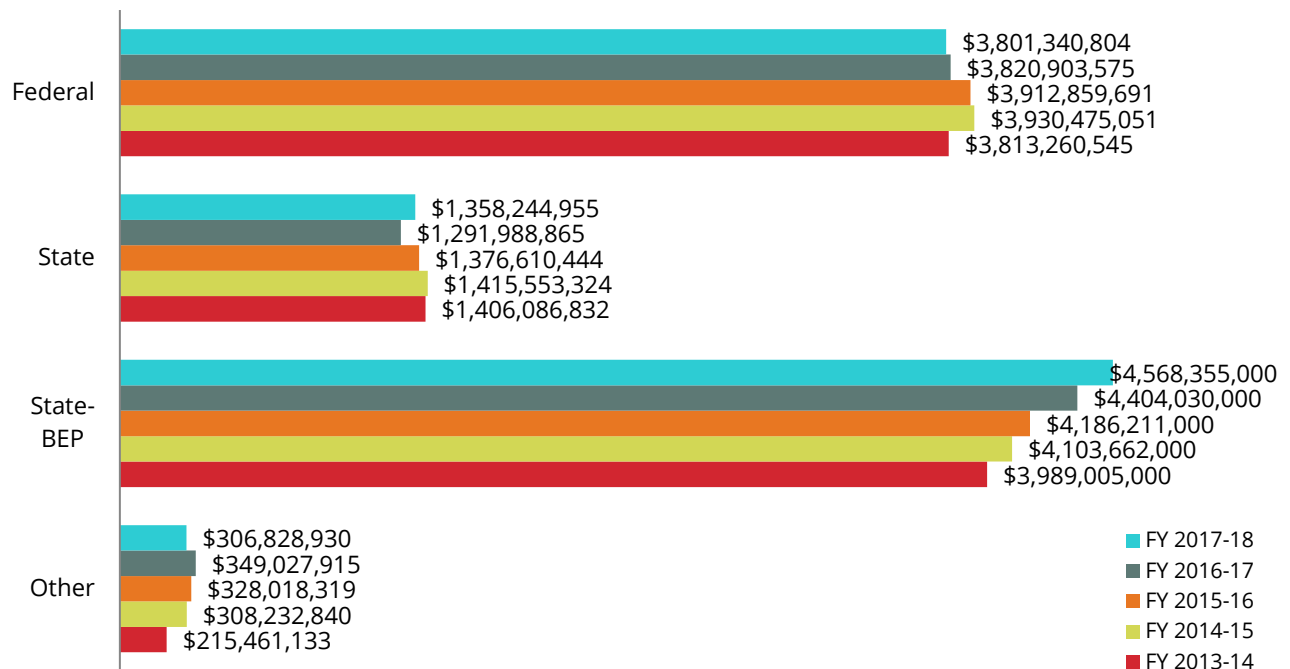
Total Expenditures by Source

FY 2017-18



Total Expenditures by Source

FY 2013-14, FY 2014-15, FY 2015-16, FY 2016-17 and FY 2017-18



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Expenditures by State Agency and Funding Source

FY 2017-18

	State	Federal	Other	Total
Administrative Office of the Courts	\$11,932,263	\$799,598	\$0	\$12,731,861
Commission on Aging and Disability	\$0	\$60,000	\$0	\$60,000
CoverKids	\$1,995,400	\$182,757,900	\$5,805,100	\$190,558,400
Department of Agriculture	\$55,000	\$0	\$200,000	\$255,000
Department of Children's Services	\$353,531,565	\$232,234,621	\$1,164,690	\$586,930,876
Department of Correction	\$272,300	\$0	\$0	\$272,300
Department of Economic and Community Development	\$1,000,000	\$0	\$0	\$1,000,000
Department of Education	\$167,835,612	\$1,073,840,088	\$438,280	\$1,242,113,980
Department of Education : BEP	\$4,568,355,000	\$0	\$0	\$4,568,355,000
Department of Environment and Conservation	\$210,000	\$0	\$0	\$210,000
Department of Health	\$41,945,234	\$147,366,190	\$53,146,253	\$242,457,677
Department of Human Services	\$104,021,930	\$982,563,156	\$0	\$1,086,585,086
Department of Intellectual and Developmental Disabilities	\$3,493,964	\$0	\$0	\$3,493,964
Department of Labor and Workforce Development	\$10,755	\$16,558,837	\$64,886	\$16,634,478
Department of Mental Health and Substance Abuse Services	\$32,585,696	\$19,081,733	\$141,047	\$51,808,476
Department of Military	\$965,787	\$3,061,561	\$0	\$4,027,348
Department of Safety	\$605,022	\$0	\$0	\$605,022
Department of Transportation	\$0	\$2,701,355	\$120,000	\$2,821,355
Governor's Books from Birth Foundation	\$3,924,800	\$50,000	\$0	\$3,974,800
Governor's Children's Cabinet	\$136,856	\$48,712	\$0	\$185,568
Office of Criminal Justice Programs	\$625,656	\$4,057,795	\$998,197	\$5,681,648
TennCare	\$591,689,900	\$1,128,588,900	\$244,377,900	\$1,964,656,700
Tennessee Arts Commission	\$883,123	\$60,200	\$0	\$943,323
Tennessee Commission on Children and Youth	\$4,106,618	\$939,076	\$147,326	\$5,193,020
Tennessee Council on Developmental Disabilities	\$0	\$1,869	\$0	\$1,869
Tennessee Higher Education Commission	\$25,559,835	\$4,247,320	\$0	\$29,807,155
Tennessee Housing Development Agency	\$0	\$0	\$225,251	\$225,251
Tennessee State Museum	\$857,639	\$0	\$0	\$857,639
Tennessee Wildlife Resources Agency	\$0	\$200,000	\$0	\$200,000
UT Institute of Agriculture	\$10,000,000	\$0	\$0	\$10,000,000
Volunteer TN	\$0	\$2,121,892	\$0	\$2,121,892
Total	\$5,926,599,955	\$3,801,340,804	\$306,828,930	\$10,034,769,689

Source: Tennessee Commission and Youth Resource Mapping Project

Changes in State Expenditures

Non-BEP state spending on children for FY 2017-18 increased by almost five percent, led by increases in TennCare and Department of Children's Services state expenditures. Overall TennCare expenditures were up, and increases showed in both federal and state spending. The number of children served by TennCare actually declined by a small amount (less than one half of one percent). Paired with an expenditure increase this suggests an overall increase in the cost of care. Pharmacy rebates, classified as an "Other" source of TennCare revenue for children's expenditures, actually declined by almost 10 percent compared to FY 2016-17.

Department of Children's Services' increase in state spending was more than offset by a decrease in federal spending, marking a reported decline in that department's reported spending on children overall. Because everything the Department of Children's Services does is for children, Resource Mapping asks that their entire budget be reported. But the department does use interdepartmental transfers to support programs in other departments, and those are reported by the departments receiving funds and providing services. This makes a comparison to the department's overall budget as reported in state budget documents only somewhat useful, but such a comparison shows a rather sizeable *increase* in expenditures by the Department of Children's Services. This increase could have been parceled out to other departments who are reporting it in their Resource Mapping data, but some exploration will be in order during the next year to determine if data reporter staff changes in the past few years have changed the reporting methods and if any expenditures are being missed.

The Basic Education Program (BEP), the funding mechanism for the vast majority of the state's K-12 spending, had by far the largest dollar increase in state spending with a change of almost \$165 million, marking nearly a 4 percent increase. The BEP outlines the resources required for, as the name suggests, a Basic Education. The cost of that Basic Education is figured based on a clearly defined set of resources needed to provide it. The state pays a set percentage of the cost of the different types of resources. As their costs go up, state expenditures go up. The only way to stop that increase is to change the definition of a Basic Education, change the mix of resources that is required to meet a Basic Education, or reduce the portion of the different types of resources that the state pays. As none of these are likely to happen, state BEP expenditures inch reliably upward every year.

This is the positive side of the BEP. When many states cut education funding during the last recession, Tennessee did not. The paths to cutting spending, as laid out above, are fraught with political consequences. One cannot just go after one program or one type of spending for some politically easy cuts. One must open up the full BEP to examination and legislative changes. Most Governors and General Assemblies who wander into that minefield end up wishing they had not. On the negative side, the resources defined as providing a Basic Education in many cases do not. Especially in some of the specialized, higher-cost areas that often receive federal funds, like English Language Acquisition and Special Education, the definition of a Basic Education really is not adequate to the task. School systems that provide just the required local match, and thus just the resources laid out in the BEP, would be unlikely to get educational results that anyone would call adequate. The portion that each county is

required to contribute to the Basic Education resources varies depending primarily on county tax bases. This is explored more fully in the mapping section of this report beginning on page 35.

The largest state dollar decline was in the Department of Health's reported programs. These reductions came across several programs, but there were large declines in the state dollars supporting Children's Special Services (CSS) and Help Us Grow Successfully (HUGS). These two programs are being redesigned into the streamlined Community Health Access and Navigation in Tennessee (CHANT) program, which should appear in next year's report. CoverKids had the next largest decline in state spending at nearly \$5 million, but its overall expenditures increased. The federal government has taken on a larger portion of the program every year and is up to almost 95 percent of total expenditures in FY 2017-18.

CoverKids also marked the largest percentage decline in state spending, with nearly \$5 million accounting for a 70 percent decrease. The next largest decline was 31 percent from former Governor Haslam's Children's Cabinet, which transitioned its most expensive program, kidcentraltn, to the Commission on Children and Youth before the fiscal year ended.

The largest percentage increases came mostly from smaller programs for which a relatively small dollar increase translates to a large percentage increase, or to newly reported programs or programs that were using state dollars for the first time. The Department of Economic and Community Development reported new Rural Task Force Work-Based Learning Grants that marked a significant increase in state dollars over the LiftTN grants reported last year. Their 17,000 percent increase may be the largest Resource Mapping has reported in state spending. The departments reporting new state spending and thus 100 percent increases were Agriculture, Labor and Workforce Development, Military and the Office of Criminal Justice Programs.

State Expenditures by Agency

FY 2016-17 and FY 2017-18

Agency Name	FY 2017-18	FY 2016-17	Dollar Change	Percent Change
Administrative Office of the Courts	\$11,932,263	\$12,997,506	-\$1,065,243	-8.2%
CoverKids	\$1,995,400	\$6,866,688	-\$4,871,288	-70.9%
Department of Agriculture	\$55,000	\$0	\$55,000	100.0%
Department of Children's Services	\$353,531,565	\$330,155,664	\$23,375,901	7.1%
Department of Correction	\$272,300	\$306,471	-\$34,171	-11.1%
Department of Economic and Community Development	\$1,000,000	\$5,700	\$994,300	17443.9%
Department of Education	\$167,835,612	\$160,400,007	\$7,435,605	4.6%
Department of Education: BEP	\$4,568,355,000	\$4,404,030,000	\$164,325,000	3.7%
Department of Environment and Conservation	\$210,000	\$140,000	\$70,000	50.0%
Department of Health	\$41,945,234	\$48,591,223	-\$6,645,989	-13.7%
Department of Human Services	\$104,021,930	\$106,734,320	-\$2,712,390	-2.5%
Department of Intellectual and Developmental Disabilities	\$3,493,964	\$4,059,440	-\$565,476	-13.9%
Department of Labor and Workforce Development	\$10,755	\$0	\$10,755	100.0%
Department of Mental Health and Substance Abuse Services	\$32,585,696	\$25,324,992	\$7,260,704	28.7%
Department of Military	\$965,787	\$0	\$965,787	100.0%
Department of Safety	\$605,022	\$345,656	\$259,366	75.0%
Governor's Books from Birth Foundation	\$3,924,800	\$3,924,800	\$0	0.0%
Governor's Children's Cabinet	\$136,856	\$198,290	-\$61,434	-31.0%
Office of Criminal Justice Programs	\$625,656	\$0	\$625,656	100.0%
TennCare	\$591,689,900	\$556,434,866	\$35,255,034	6.3%
Tennessee Arts Commission	\$883,123	\$795,063	\$88,060	11.1%
Tennessee Commission on Children and Youth	\$4,106,618	\$3,463,855	\$642,763	18.6%
Tennessee Higher Education Commission	\$25,559,835	\$20,933,945	\$4,625,890	22.1%
Tennessee State Museum	\$857,639	\$865,380	-\$7,740	-0.9%
UT Institute of Agriculture	\$10,000,000	\$10,000,000	\$0	0.0%
Grand Total	\$5,926,599,955	\$5,700,284,544	\$226,315,411	4.0%

Reliance on Federal Funds

Excluding the BEP, around three of every four dollars spent on services for children and families in Tennessee came from federal funding sources (70 percent in FY 2017-18). State funding accounted for 25 percent of all non-BEP expenditures in FY 2017-18. Further, as noted in the introduction to this report, again excluding the BEP, almost nine of every 10 dollars in the state budget for children—88 percent in FY 2017-18—were either federal or required as match/maintenance of effort for federal funding.

So how does this break down by department? Which of Tennessee’s services for children are most heavily dependent on a continued stream of federal funds? In the table on the next page, the six major child-serving departments and CoverKids are highlighted, with the data for the Department of Education presented with the BEP and without the BEP. More than half the funds in four of the seven are federal dollars, and excluding the BEP, all other Department of Education funds are more than half federal. The two remaining Departments (Children’s Services and Mental Health and Substance Abuse Services) are close to 40 percent federally-funded for their services to children and families.

Currently and historically, all TennCare and significant portions of Department of Human Services and Department of Children’s Services federal funds are/have been considered non-discretionary, uncapped entitlements and must be provided to people who qualify for them. The programs protecting these funds, Medicaid and SNAP, have both been under consideration for “block granting,” or removing the rules that provide important protections for recipients, and are sometimes criticized as preventing state flexibility. Changing these funds to block grants would remove the requirement that the federal government fund all who qualify and could result in challenging choices in difficult times, potentially pitting services for children against those for the elderly or disabled. A Medicaid block grant would also eliminate federal requirements for the provision of Early and Periodic Screening, Diagnosis and Treatment (EPSD&T) for children, and the accompanying requirements to provide services children need to thrive and reach their potential.

In every year in office, President Trump released budgets laying out his administration’s funding priorities. Several discretionary programs that fund services for children and families were recommended for major reductions and others for elimination. Departments that rely on these funds to serve children and families in Tennessee include the Governor’s Books from Birth Foundation, VolunteerTN (AmeriCorps), the Department of Children’s Services, the Department of Education, former Governor Haslam’s Children’s Cabinet and the Commission on Children and Youth (for kidcentraltn.com), the Tennessee Arts Commission, the Office of Criminal Justice Programs, and the Department of Labor and Workforce Development.

The Omnibus Appropriations Act that passed last year maintained or increased funding for most of these programs, but it was a short term solution. Many remain at risk going forward. Budgets that would slash discretionary federal spending and convert Medicaid and SNAP funds to block grants together mean *57 percent of federal funds supporting children and families in Tennessee are at risk in federal budget negotiations*. The sources and amounts of federal funds

each department receives to support children and youth are listed in Appendix C. The state as a whole receives substantially more federal funds (\$13.5 billion according to the 2017-18 state budget), but expenditures not expressly directed at children and youth are outside the scope of this report.

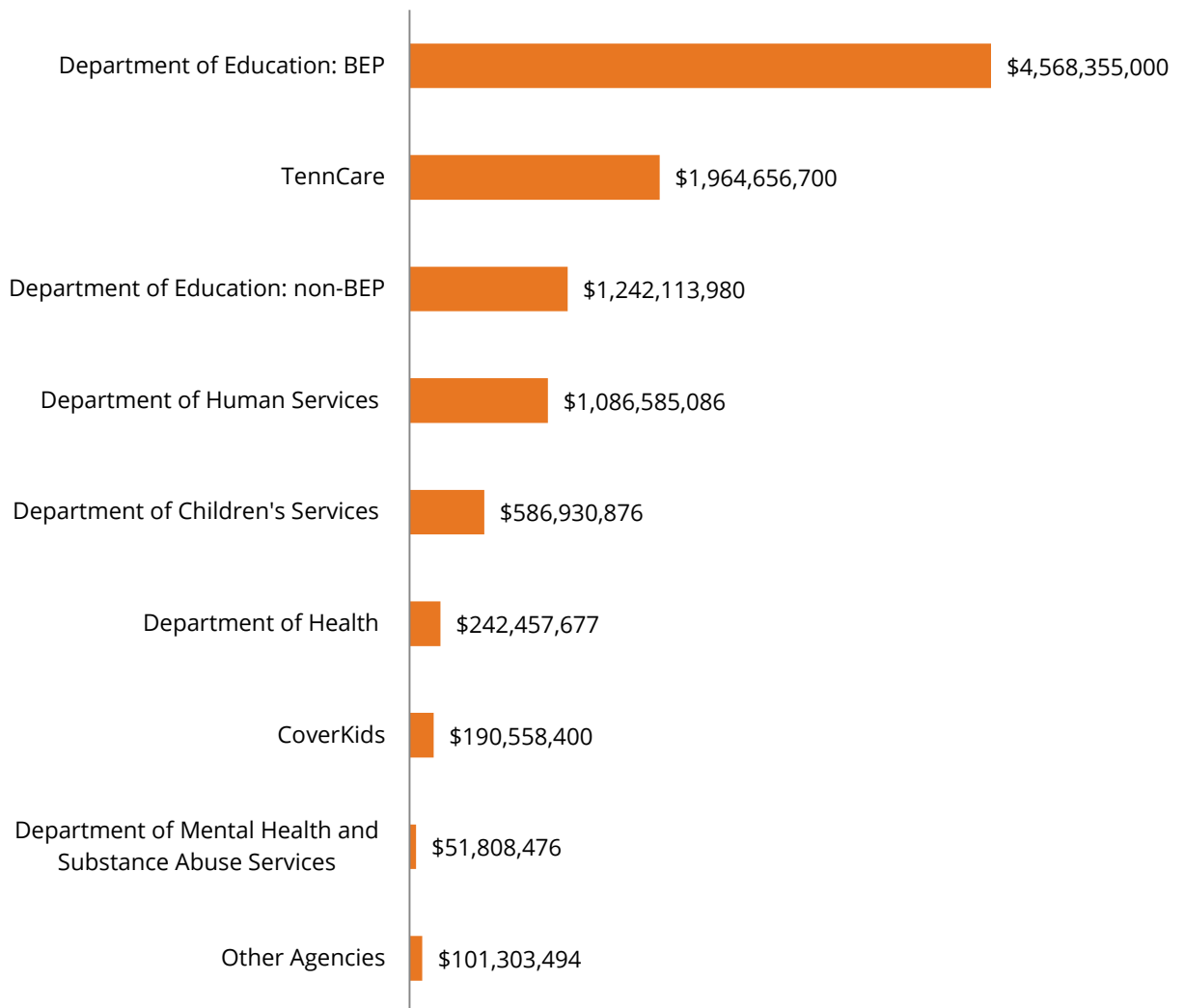
<i>The major child-serving departments are highlighted. Children served by more than one program (even within one agency) are counted in each program that provides them services.</i>	Percent of Expenditures that are Federal Funds	Children Served
Administrative Office of the Courts	6.3%	19,962
Commission on Aging and Disability	100.0%	266
CoverKids	95.9%	329,550
Department of Agriculture	0.0%	60,000
Department of Children's Services	39.6%	235,281
Department of Correction	0.0%	1,020
Department of Economic and Community Development	0.0%	48,500
Department of Education without BEP	86.5%	16,887,967
Department of Education with BEP	18.5%	17,855,979
Department of Environment and Conservation	0.0%	34,000
Department of Health	60.8%	4,618,411
Department of Human Services	90.4%	1,014,586
Department of Intellectual and Developmental Disabilities	0.0%	2,595
Department of Labor and Workforce Development	99.5%	2,710
Department of Mental Health and Substance Abuse Services	36.8%	2,487,403
Department of Military	76.0%	321
Department of Safety	0.0%	92,455
Department of Transportation	95.7%	10,000
Governor's Books from Birth Foundation	1.3%	284,610
Governor's Children's Cabinet	26.3%	-
Office of Criminal Justice Programs	71.4%	16,072
TennCare	57.4%	2,376,140
Tennessee Arts Commission	6.4%	166,106
Tennessee Commission on Children and Youth	18.1%	14,655
Tennessee Council on Developmental Disabilities	100.0%	300
Tennessee Higher Education Commission	14.2%	57,118
Tennessee Housing Development Agency	0.0%	2
Tennessee State Museum	0.0%	75,344
Tennessee Wildlife Resources Agency	100.0%	7,270
UT Institute of Agriculture	0.0%	184,000
Volunteer TN	100.0%	36,709
Total	37.9%	30,031,365

County maps showing expenditures and percent of children served by various programs are available beginning on page 35 and make clear that Tennessee children in every region of the state and in every county rely on federal funds to help ensure that they are safe, healthy, educated, nurtured and supported, and engaged in activities that provide them opportunities to achieve their fullest potential.

Total Expenditures by Leading Child Serving Agencies

The largest source of expenditures for children is the BEP, then TennCare, followed by Education (non-BEP), the Departments of Human Services and Children's Services. Department of Mental Health and Substance Abuse Services funding for services for children is substantially below the other primary departments, but it is not the only source of mental health care funding for children. TennCare provided mental/behavioral health services for children totaling over \$220 million in FY 2017-18. The Department of Intellectual and Developmental Disabilities is no longer included as a separate entry in the "Expenditures by Leading Child Service Agencies" list because a major portion of its children's funding has moved to TennCare.

Expenditures by Leading Child Service Agencies Fiscal Year 2017-18



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Ages of Children

Since it began, the resource mapping process has struggled with collecting data regarding the ages of children served. Reporting by established age categories (such as 0 to 5) was problematic the first two years because some services cut across multiple age groups, and large portions of expenditures were reported as “All Children” or “Families.” The decision was made to permit departments to indicate the specific ages of children rather than age groups served by various programs.

Children Under 5

One of the least understood age group’s expenditures is for those under five, as most have not yet entered the public education system. The Resource Mapping project asks departments to estimate the percentage of funds for each of the programs reported that go to children under five. In a few cases, the percentage is based on actual data, but for most programs it is an estimate. For programs that serve all children or that do not provide services directly to children, such as TCCY’s general advocacy, funds were allocated to the under-five age group based on the percent of all Tennessee children who are under age five (27.2 percent). It should be understood that these results are a rough estimate. At the same time, they were estimated program by program, and so should be in the neighborhood of actual under-five spending proportions. There was no attempt to divide the funding to this age group by source, as estimates were made by program, which can have several funding sources that may not benefit each age group equally.

The table on page 21 shows estimated spending on our youngest children. The agency with the highest percentage is the Governor’s Books from Birth Foundation, which targets all its spending to pre-kindergarten-aged children. The next highest is the Department of Health, where several programs spend all of their funds on children under five, including childhood lead poisoning, newborn screenings, the Tennessee Nurse Home Visitor Program, Healthy Start, Healthier Beginnings, Tennessee’s HUGS case management program, newborn hearing screenings and programs reviewing unexplained child fatalities and prevention strategies. Other programs with a high percentage of expenditures going to children under five include Child Health and Development (CHAD) and WIC.

The agency with the most dollars going to this age group was TennCare, at over \$570 million. The Department of Human Services directed over \$340 million to Tennessee’s youngest children, mostly in child care benefits and Supplemental Nutrition Assistance Program (SNAP) funds. In its non-BEP funding, the Department of Education spent over \$150 million on this age group, including programs such as voluntary pre-kindergarten, Tennessee Early Intervention System (TEIS), and IDEA funding for three- and four-year-olds who have been identified as having special needs. The Department of Children’s Services also directed over \$80 million to this age group, mostly in foster care and adoption support services.

Estimated total spending on children under five years of age accounted for 13.6 percent of all expenditures for children in Tennessee in FY 2017-18, while children under age five are 27.2

percent of all children in the state. This marks a small increase compared to last year, when it was figured at 13.2 percent of overall expenditures.

Many children under five have increased need for services and supports. A higher percentage of children from birth to five (23 percent) live in poverty than children ages six to 17 (20 percent).³ The American Academy of Pediatrics describes toxic stress as “severe, chronic stress that becomes toxic to developing brains and biological systems when a child suffers significant adversity, such as poverty, abuse, neglect, neighborhood violence, or the substance abuse or mental illness of a caregiver.”⁴ Toxic stress is especially damaging in children under age five because of its impact on their rapidly developing brains.

TennCare pays for more than half of all babies born in Tennessee each year. Babies with high neonatal hospital costs are often covered by TennCare, especially low birthweight babies and babies who are born exposed to opiates and other addictive substances, generally referred to as Neonatal Abstinence Syndrome (NAS).

In calendar year 2017, 1,090 babies in Tennessee were born with NAS, many of whom also had low birthweight. Live born infants in the first year of life who are not low-birthweight have an average cost of \$5,045 and an average length of stay in the hospital of 2.1 days. NAS babies cost an average of \$40,171 and have 19.5 days average length of stay. TennCare infants with NAS are over 11 times more likely to enter state custody than TennCare infants without NAS.⁵

Low birthweight babies are additionally at risk for developmental and other disabilities that result in increased costs to families and increased need for and reliance on publicly-funded services. This suggests a need to consider the return on investment of increased funding for the state’s youngest children. As discussed in the section on programmatic focus later in the report, early intervention is much less expensive than the moderate or intensive intervention often required when physical, mental or emotional health needs are left unaddressed.

Multiple studies have concluded that by waiting until children reach kindergarten to assess their abilities and work with those who are less prepared, we miss an important window of development when brain pathways are forming at a rapid rate. Investing in our youngest children allows many more of them to enter kindergarten prepared to learn and significantly improves their chances for independent, productive and fulfilling lives.⁶

³ Annie E. Casey Foundation. KIDSCOUNT Data Center. *Children in Poverty by Age Group*.

⁴ Andrew Garner, Jack Shonkoff, et al. “Early childhood adversity, toxic stress, and the role of the pediatrician: translating developmental science into lifelong health.” *Pediatrics*. 2012; 129 (1):224-231.

⁵ <https://www.tn.gov/content/dam/tn/tenncare/documents/TennCareNASData2016.pdf>

⁶ For an overview that references many of the major studies, see Hirokazu Yoshikawa, Christina Weiland, et. al. 2013. *Investing in our future: The evidence base on preschool education*. Foundation for Child Development.

Estimate of Spending on Children Under Five Years of Age

FY 2017-18

State Agency	Estimate of Dollars Spent on Children Under	Estimate of Percent Spent on Children Under 5	Total Expenditures	Estimate of Number of Children Served
Administrative Office of the Courts	\$3,234,438	25.4%	\$12,731,861	4,068
Commission on Aging and Disability	\$0	0.0%	\$60,000	-
CoverKids	\$28,583,760	15.0%	\$190,558,400	49,433
Department of Agriculture	\$0	0.0%	\$255,000	-
Department of Children's Services	\$81,896,668	14.0%	\$586,930,876	59,551
Department of Correction	\$0	0.0%	\$272,300	-
Department of Economic and Community Development	\$0	0.0%	\$1,000,000	-
Department of Education	\$155,216,723	12.5%	\$1,242,113,980	186,916
Department of Education : BEP	\$0	0.0%	\$4,568,355,000	-
Department of Environment and Conservation	\$56,700	27.0%	\$210,000	9,180
Department of Health	\$173,710,103	71.6%	\$242,457,677	2,491,359
Department of Human Services	\$340,176,523	31.3%	\$1,086,585,086	275,967
Department of Intellectual and Developmental Disabilities	\$454,215	13.0%	\$3,493,964	337
Department of Labor and Workforce Development	\$0	0.0%	\$16,634,478	-
Department of Mental Health and Substance Abuse Services	\$1,873,743	3.6%	\$5,1808,476	1,585
Department of Military	\$0	0.0%	\$4,027,348	-
Department of Safety	\$0	0.0%	\$605,022	-
Department of Transportation	\$0	0.0%	\$2,821,355	-
Governor's Books from Birth Foundation	\$3,974,800	100.0%	\$3,974,800	284,610
Governor's Children's Cabinet	\$50,474	27.2%	\$185,568	-
Office of Criminal Justice Programs	\$352,262	6.2%	\$5,681,648	996
TennCare	\$569,750,443	29.0%	\$1,964,656,700	689,081
Tennessee Arts Commission	\$0	0.0%	\$943,323	-
Tennessee Commission on Children and Youth	\$1,392,400	26.8%	\$5,193,020	4,511
Tennessee Council on Developmental Disabilities	\$0	0.0%	\$1,869	-
Tennessee Higher Education Commission	\$0	0.0%	\$29,807,155	-
Tennessee Housing Development Agency	\$0	0.0%	\$225,251	-
Tennessee State Museum	\$0	0.0%	\$857,639	-
Tennessee Wildlife Resources Agency	\$0	0.0%	\$200,000	-
UT Institute of Agriculture	\$0	0.0%	\$10,000,000	-
Volunteer TN	\$254,627	12.0%	\$2,121,892	4,405
Total	\$1,360,997,880	13.6%	\$10,034,769,689	4,062,000

Source: Tennessee Commission on Children and Youth Resource Mapping Project

Youth 18 and Over

Several departments offer services to children “aging out” of state custody through extension of foster care to help them transition successfully to independence in adulthood. The Tennessee Commission on Children and Youth houses the Youth Transitions Advisory Council (YTAC), which examines the needs of this group and makes recommendations to better serve them. In its 2016 report to the legislature, YTAC describes some of their unique challenges.

As we all know from experiences with the young adults in our lives, and as a growing body of research confirms, the human brain continues to grow and develop well past the age of majority. Brain executive functions of good judgment and maturity are among the last to develop in the mid-twenties. For good or bad, the choices we make and the goals we set regarding education, career, and interpersonal relationships shape the opportunities and outcomes available to us later in life. For former foster youth, the challenge of that transition is even greater because they often lack the important emotional and financial support nurturing parents provide their adult children.

Prior to the advent of extension of foster care services, former foster youth often were left to fend for themselves upon aging out of state custody. Estranged from their families, lacking adequate education and social skills, many of these young people found themselves in dire circumstances, unable to meet their daily needs, continue their education, compete for jobs, find suitable housing or access adequate health or mental health care services. Many former foster youth experience homelessness, unplanned pregnancies or have encountered the criminal justice system because they aged out of custody without the proper tools to face the challenges of modern life most adults experience today. Extension of foster care services allows these youth the opportunity to complete or continue their education, with access to health care, housing assistance and other supports to help them succeed in life, while at the same time playing an important role in achieving the goals Tennessee has set for improving graduation rates, increasing educational attainment, building stronger families and creating safer communities.⁷

The Resource Mapping project has included youth transition and extension of foster care services since its outset, but has had the same difficulty breaking out the expenditures on this age group as with other age groups. Following the same process as with children under 5, each program now has a data question on the percentage of expenditures estimated to go to transitional youth. All youth 18 and older are not included—just those transitioning out of state custody or involved in a program clearly targeted to youth at high risk of a difficult transition into adulthood, primarily those receiving special education or who need mental health or substance abuse treatment. Going forward, there will be an effort to identify more programs focused on youth in this age group who are not in state custody but who are at increased risk of difficult transitions.

The table on page 24 shows expenditures, mostly estimated, on programs for transitional youth by department. Overall, less than one percent of expenditures currently tracked for children and youth are directed toward young transitioning adults.

⁷ Youth Transitions Advisory Council Annual Report, October 2016. <http://tn.gov/assets/entities/tccy/attachments/yt-ar-16.pdf>

The highest percentage of expenditures is in the Tennessee Housing Development Agency (THDA) and the Tennessee Wildlife Resources Agency (TWRA), which each report just one program. THDA offers Tennessee Housing Trust Fund Competitive Grants for transitional youth housing. A relatively new program, it funds rental assistance for extension of foster care young adults ages 18 to 24. There is currently one active project in Shelby County. Young adults who have been in foster care are at high risk of homelessness, making these programs important strategies to help former foster youth make successful transitions to adulthood. The TWRA conducts hunter education classes which, while they can serve youth as young as age 9, served only transition-age youth in 2017-18.

The third-highest percentage is in the Department of Labor and Workforce Development, which also reports just one program—the Work Investment Opportunity Act training for low-income youth ages 14 to 24 who face barriers to employment.

The largest dollar amount is from TennCare, which can cover qualifying children up to age 21. In addition, since the passage of the Affordable Care Act, young adults can be covered on their parents' insurance until age 26. Children who have been in state custody often do not have this opportunity due to separation from parents who are also often uninsured, so the state continues to serve as their "parent" and offers them TennCare until the age of 26 as long as they qualify for extension of foster care.

The second-highest expenditures are by the Department of Mental Health and Substance Abuse Services. Since many mental health and substance abuse issues first arise in this transitional age group, this is essentially early intervention. The Department's largest expenditures are for inpatient psychiatric hospital services and continuum of care, as well as Crisis Stabilization Unit and Behavioral Health Safety Net services. However, the Department also has federal grants that provide important community services to help young adults manage mental health and substance abuse challenges and remain in the community.

The Department of Children's Services also has substantial expenditures on transitional youth, funding several transitional programs including continuum of care, residential services and extension of foster care.

State Agency	Estimate of Dollars Spent on Youth Over 18	Estimate of Percent Spent on Youth Over 18	Total Expenditures	Estimate of Number of Youth Served Over 18
Administrative Office of the Courts	\$5,600	0.1%	\$12,731,861	55
Commission on Aging and Disability	\$0	0.0%	\$60,000	-
CoverKids	\$0	0.0%	\$190,558,400	-
Department of Agriculture	\$0	0.0%	\$255,000	-
Department of Children's Services	\$19,276,279	3.3%	\$586,930,876	1,090
Department of Correction	\$0	0.0%	\$272,300	-
Department of Economic and Community Development	\$0	0.0%	\$1,000,000	-
Department of Education	\$1,210,259	0.1%	\$1,242,113,980	49,830
Department of Education : BEP	\$0	0.0%	\$4,568,355,000	-
Department of Environment and Conservation	\$0	0.0%	\$210,000	-
Department of Health	\$6,783,451	2.8%	\$242,457,677	41,680
Department of Human Services	\$0	0.0%	\$1,086,585,086	-
Department of Intellectual and Developmental Disabilities	\$244,577	7.0%	\$3,493,964	182
Department of Labor and Workforce Development	\$14,487,484	87.1%	\$16,634,478	2,439
Department of Mental Health and Substance Abuse Services	\$34,170,109	66.0%	\$51,808,476	1,141,091
Department of Military	\$0	0.0%	\$4,027,348	-
Department of Safety	\$0	0.0%	\$605,022	-
Department of Transportation	\$0	0.0%	\$2,821,355	-
Governor's Books from Birth Foundation	\$0	0.0%	\$3,974,800	-
Governor's Children's Cabinet	\$0	0.0%	\$185,568	-
Office of Criminal Justice Programs	\$0	0.0%	\$5,681,648	-
TennCare	\$78,586,268	4.0%	\$1,964,656,700	95,046
Tennessee Arts Commission	\$0	0.0%	\$943,323	-
Tennessee Commission on Children and Youth	\$22,737	0.4%	\$5,193,020	29
Tennessee Council on Developmental Disabilities	\$0	0.0%	\$1,869	-
Tennessee Higher Education Commission	\$637,098	2.1%	\$29,807,155	1,662
Tennessee Housing Development Agency	\$225,251	100.0%	\$225,251	2
Tennessee State Museum	\$0	0.0%	\$857,639	-
Tennessee Wildlife Resources Agency	\$200,000	100.0%	\$200,000	7,270
UT Institute of Agriculture	\$0	0.0%	\$10,000,000	-
Volunteer TN	\$0	0.0%	\$2,121,892	-
Total	\$155,849,113	1.6%	\$10,034,769,689	1,340,376

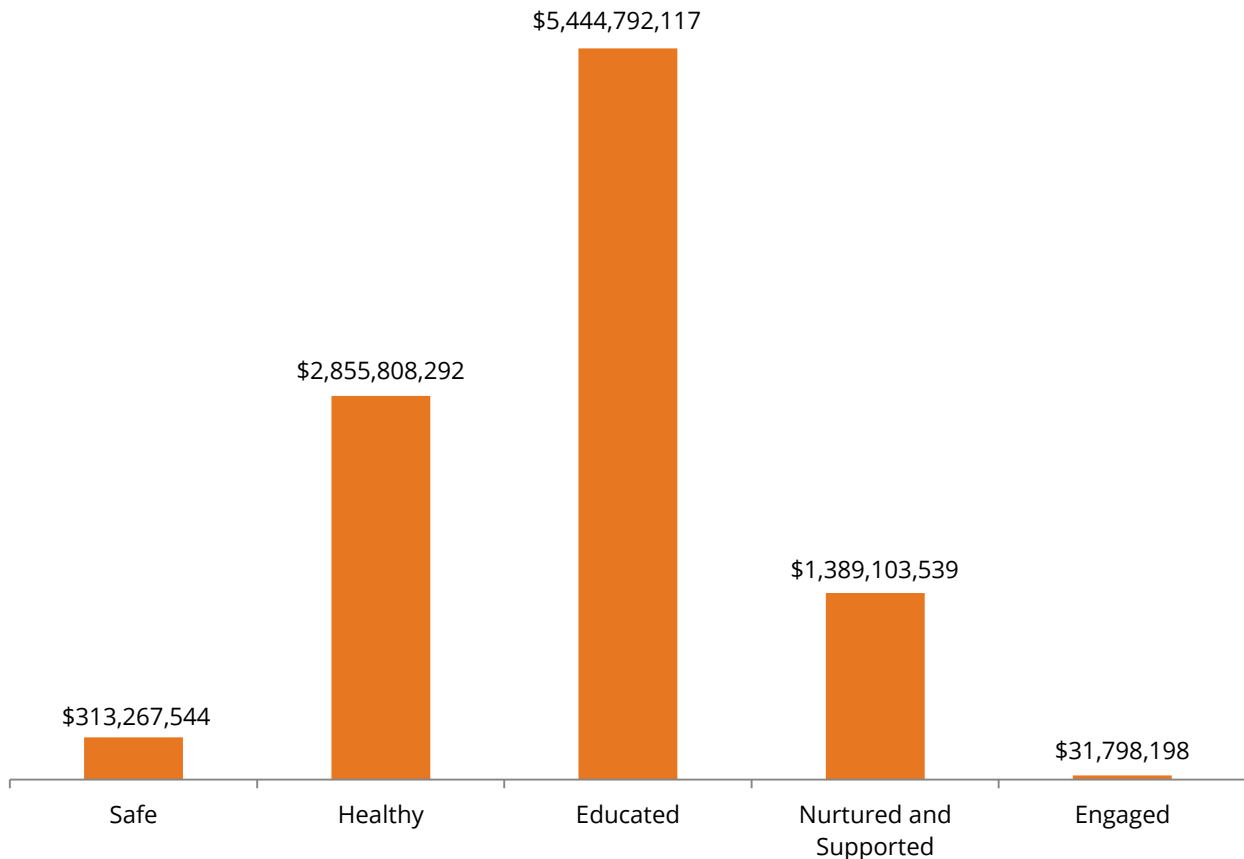
Source: Tennessee Commission on Children and Youth Resource Mapping Project

Primary Outcomes

Departments were asked to select one **Primary Outcome** area that best captured the intended outcome of the program. The five outcome area options included:

- **Safe** (Examples: home visiting, bullying prevention, suicide prevention, child protective services, accident prevention);
- **Healthy** (Examples: immunizations, crisis response, mental health case management, intensive case management, outpatient sex offender treatment, substance abuse prevention, substance abuse intervention);
- **Educated** (Examples: BEP, technical education, special education);
- **Supported and Nurtured** (Examples: income supports, probation, foster care, youth development centers);
- **Engaged** (Examples: mentoring, teen courts, after school programs, 4-H).

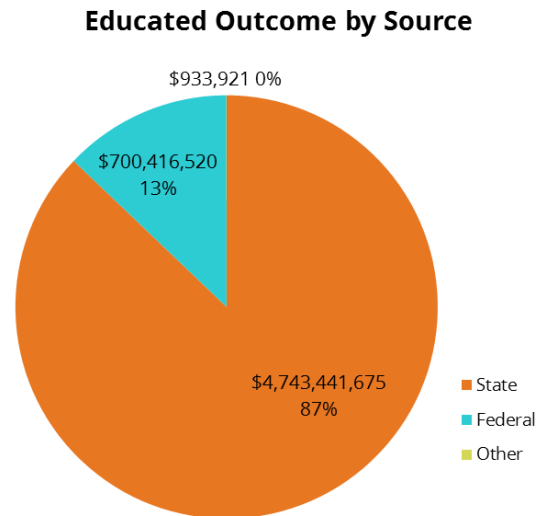
Expenditures by Primary Outcome Area FY 2016-17



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Educated

Education is the fundamental path to opportunity for all children. As Thurgood Marshall argued before the Supreme Court in *Brown v. Board of Education*, "Education directly affects the ability of a child to exercise his First Amendment rights. Education prepares individuals to be self-reliant and self-sufficient participants in society." The largest outcome area reported to Resource Mapping by far is "Educated," with over half of all reported expenditures. The BEP is the primary expenditure in the "Educated" outcome, though most Department of Education expenditures are reported there, including those outside the BEP. Education expenditures by the Department of Children's Services and the Department of Correction are also included.



In addition, a variety of education programs across departments are reported here, including:

- Ag in the Classroom through the Department of Agriculture;
- The Department of Military's Volunteer ChalleNGe Academy;
- Education programs through microenterprise grants from the Department of Economic and Community Development;
- Abstinence education and adolescent pregnancy prevention from the Department of Health;
- Violence and bullying prevention and suicide prevention from the Department of Mental Health and Substance Abuse Services;
- Drug abuse resistance and driver safety programs from the Department of Safety;
- Child passenger safety and DUI education programs from the Department of Transportation;
- All expenditures for Tennessee's Imagination Library from the Governor's Books from Birth Foundation;
- Arts education programs from the Tennessee Arts Commission;
- KIDS COUNT, Regional Councils and System of Care Across Tennessee programs from the Tennessee Commission on Children and Youth;
- All the Tennessee Higher Education Commission's reported programs, which are focused on college readiness and success;
- Museum visits and classroom programs from the Tennessee State Museum; and
- All AmeriCorps funding through Volunteer TN.

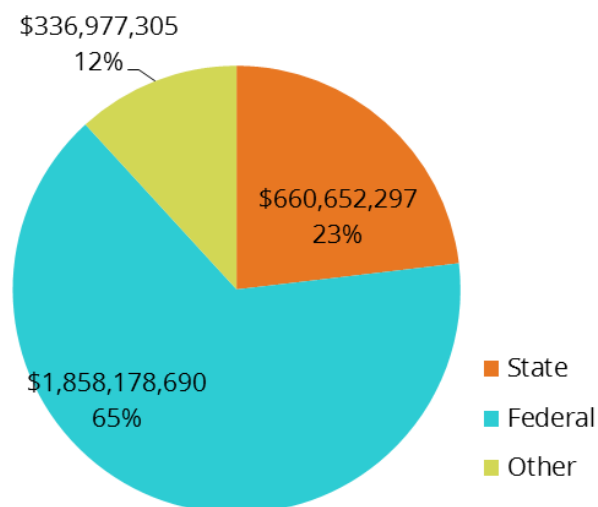
Federal dollars for education are very important to the state, with over \$700 million reported, but state dollars dominate this outcome area because BEP spending dwarfs everything else the state spends on children. Local education funds are not even included here, but they are also substantial. While the percentage varies across school districts,

statewide local expenditures make up over 40 percent of K-12 spending at over \$4 billion in 2017-18. Local governments also support educational programs outside of K-12.

Healthy

The second-largest primary outcome area is “Healthy.” Healthy children are vital to the nation’s present and its future. In the next few decades, today’s children will be key in creating families, powering the workforce and making American democracy work. Mounting evidence that health during childhood sets the stage for adult health not only reinforces this perspective, but also creates an important ethical, social and economic imperative to ensure all children are as healthy as they can be. Healthy children are more likely to become healthy adults.

Healthy Outcome by Source



The proportion of funding focused on “Healthy” is heavily driven by TennCare expenditures, not just in the Division of TennCare, but in the Department of Children’s Services and the Department of Health. The Department of Children’s Services (DCS) reports TennCare as at least part of the funding for multiple programs. The ones classified under the “Healthy” outcome are Crisis Team Management, medical services for children in state custody and those at risk of entering state custody, physician-directed residential care and TennCare appeal expenses for children in state custody. DCS also reports in-home family behavioral health services under “healthy,” but they are fully state-funded.

TennCare-funded “Healthy” programs in the Department of Health include TennCare Advocacy, preventive dental care, HUGS care coordination, TennCare Kids Call Center outreach, prenatal services and Early and Periodic Diagnostic, Screening and Treatment (EPSD&T) outreach and screenings. Almost everything else the Department of Health does is also under “healthy,” though they did have a few educational programs listed above under “Educated” and child fatality review and prevention programs under “Safe.”

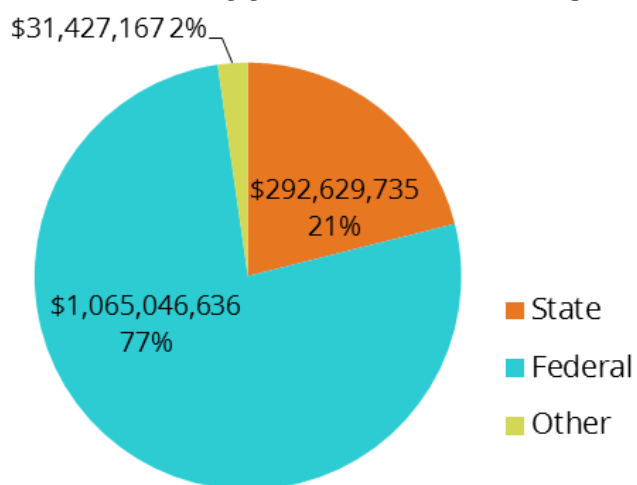
Other programs classified as “Healthy” include all of CoverKids; most substance-abuse-related programs reported by the Department of Mental Health and Substance Abuse Services, as well as their Regional Intervention Program and other early behavioral intervention programs and the Nurses for Newborns home visiting program, and the Council on Children’s Mental Health and Home Visiting Leadership Alliance in the Tennessee Commission on Children and Youth. The Department of Education lists its food programs under “Healthy,” though, as seen below, the Department of Human Services classifies its food programs under “Nurtured and Supported.” While a case might be made for each choice, it suggests that a review of the alignment of classifications may be in order.

Because so much of the “Healthy” outcome is funded by TennCare dollars, this classification is dominated by federal funds and required state matching TennCare dollars. The Department of Education’s classification of its school food programs here further contributes to an area dominated by federal money. Over \$1.8 billion in federal funds contribute to the health of Tennessee children and families, as well as \$660 million state dollars mostly required to match federal spending. Most funds classified as “Other” are in this category as well, since the largest source of non-federal, non-state money that flows through the state and supports children in Tennessee is pharmacy rebates turned back into spending for TennCare and CoverKids, over \$250 million in 2017-18.

Nurtured and Supported

The “Nurtured and Supported” outcome looks at programs that provide children with important, trusting relationships. Nurturing relationships with adults are crucial to intellectual and social growth. They provide stability and security, allowing children to grow and develop into adults with the capacity for empathy, trust and compassion. When children suffer continuous stress through poverty or family dysfunction, safe, stable nurturing relationships with adults help them develop resilience to the effects of that stress. All children go through difficult times, and nurturing relationships help them weather these in a healthy way.

Nurtured and Supported Outcome by Source



The biggest expenditures for “Nurtured and Supported” are reported by the Department of Human Services, and include its supplementary food programs, child care subsidies, child support recovery and income support programs. The Department of Children’s Services also lists several of its larger programs in this classification, including adoption support, case management, community intervention, custody, foster care, extension of foster care, parenting education, relative caregiver and respite care programs. The Department of education lists McKinney-Vento funds for homeless children as well as Family Resource Centers under “Nurtured and Supported.”

The Department of Intellectual and Developmental Disabilities’ family support program is here as are most of the programs funded by federal grants administered by the Commission on Children and Youth (TCCY) and the state-funded Court Appointed Special Advocates (CASA) grants also administered by TCCY. The Department of Mental Health and Substance Abuse services puts most of its wraparound services, transition services and respite care support here. Former Governor Haslam’s Children’s Cabinet has been coordinating on Single Team/Single Plan listed here, and it also lists costs associated with

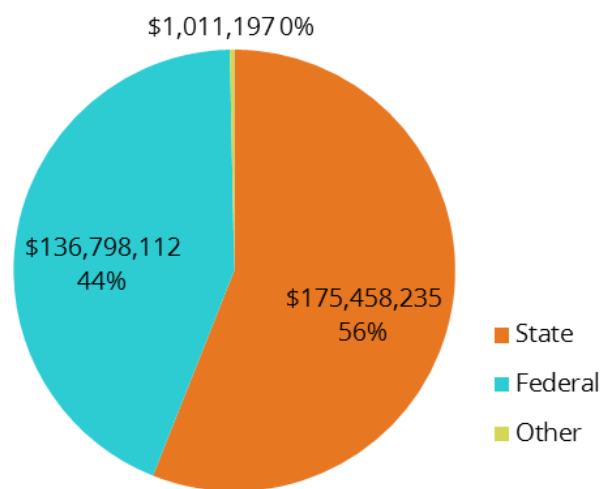
the kidcentraltn.com website under “Nurtured and Supported.” The Department of Mental Health and Substance Abuse Services includes some of its System of Care work here, as well as some transitional youth programs and respite care programs. The Administrative Office of the Courts (AOC) also lists most of its child-serving programs here, including access and visitation grants, Court Improvement Program Grants, child support, guardian ad litem, the Juvenile Justice Training Project, parent education and mediation and parent attorneys. The Tennessee Housing Development Agency’s (THDA) transitional youth housing program falls here as well.

The vast majority of expenditures under “Nurtured and Supported” come from federal funds, mostly because the Department of Human Services classifies its food programs here. The DCS, AOC and TCCY programs lean more heavily on state funds than federal in this outcome area. DCS has a large source of “Other” funds in this category, with over \$17 million in child support payments for Foster Care. THDA brings a chunk of “Other” funds as well with over \$200,000 from its Tennessee Housing Trust Fund Competitive Grant program that relies on income from THDA loans.

Safe

Safety is a need for children in the most basic sense; they need to be protected from threats to their lives or to their bodies. Child deaths have decreased significantly over the past several decades, in part because risks are studied so parents and children can be taught safer behaviors. As children grow, the risks to their safety change, and teaching them the skills they need to remain safe at different ages and in different circumstances is important. Some children are in living situations that are unsafe, and the state intervenes when it learns of such dangers to ensure all children have safe homes.

Safe Outcome by Source



“Safe” is not a large spending category for funds that flow through the state for children. The largest government programs that most people think of as contributing to safety are military and police programs. The ones most likely to interact with children are city and county police, whose expenditures do not flow through the state and are thus not reported to Resource Mapping. The Tennessee Bureau of Investigation has never reported to Resource Mapping, though it might be worth approaching them in the future to see if they have any programs specifically targeted to children.

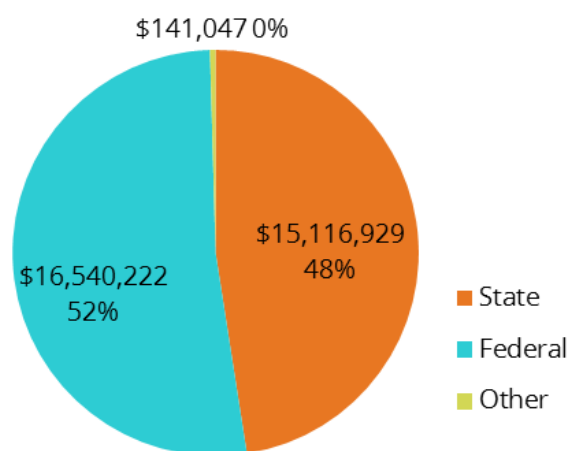
The largest expenditures in this classification that are reported are through the Department of Children’s Services, which is tasked with protecting children in dangerous domestic situations. The Department of Human Services’ child care licensing is another

large piece, as are the Department of Education’s safe schools funds, driver’s education programs and school-based support services. The Department of Mental Health and Substance Abuse Services puts many of its crisis intervention services here. The Office of Criminal Justice Programs reports funds for victims of crime assistance programs; TCCY’s Ombudsman program and some Juvenile Justice grants are here as well. The Tennessee Wildlife Resources Agency’s hunter education program falls under “Safe,” as does the Administrative Office of the Court’s State Justice Institute Grant. As a category, “Safe” is more evenly split between federal and state dollars, with \$137 million federal and \$175 million state. This is driven by the DCS programs that are mostly funded by Title IV-E (Foster Care and Adoption Assistance) and TennCare federal dollars with required state matches.

Engaged

The outcome area “Engaged” is short for “engaged in activities that provide children opportunities to achieve their fullest potential.” It refers to programs that spark children’s interest in learning a variety of things in a variety of ways; that help them find the things they love to do and the things they do well. Expenditures that flow through the state in Tennessee do not include many programs meant primarily to engage. With just shy of \$32 million spent on programs aimed at this outcome, “Engaged” spending represents just 0.3 percent of overall spending on children. The “Engaged” outcome is one that is more heavily invested in at the local government level and by non-profits. Programs such as local parks and recreation youth sports and arts programs, library and community center youth programs and many non-profit opportunities like YMCA Youth in Government, United Way afterschool programs, children’s art and science museums, recreation centers, zoos and many more. These expenditures are not tracked in Resource Mapping.

Engaged Outcome by Source



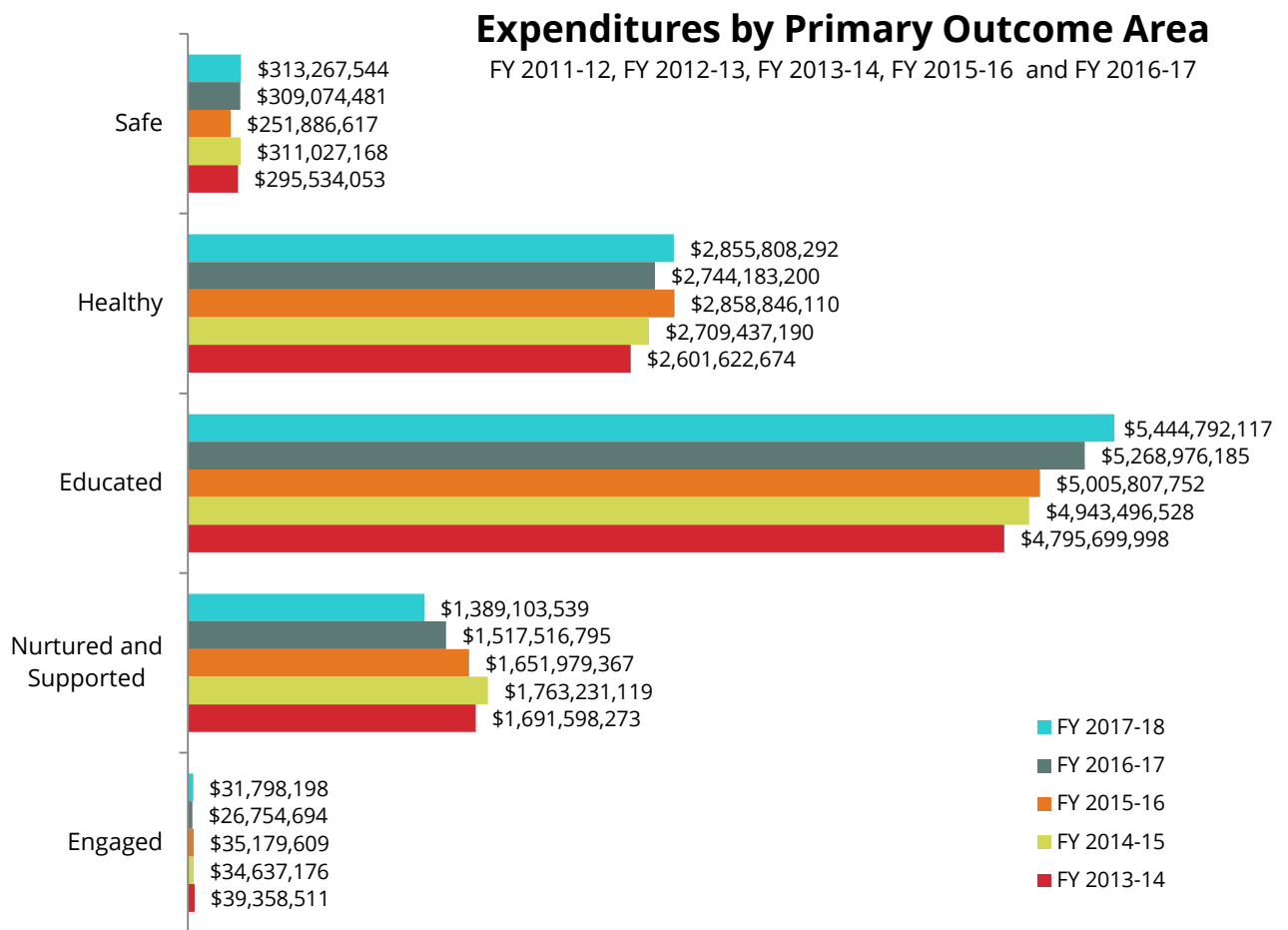
The largest program in this group is the Department of Labor and Workforce Development’s Workforce Innovation and Opportunity Act (WIOA) Youth Program. This federally-funded program places a priority on serving out-of-school youth, providing work-based experience, and improving services to youth with disabilities. WIOA promotes career pathways, increased attainment of recognized credentials and post-secondary certificates or degrees. Youth must meet eligibility requirements to participate in the WIOA Title I Youth Program. Eligible youth are those who are 14-24 years of age and face specific barriers to school completion or employment. About half of Tennessee’s “Engaged” expenditures are in this program.

The next largest piece of “Engaged” spending is on 4-H. Supported by \$10 million in state funds, 4-H aims to prepare young people to become responsible, capable, involved leaders and citizens of Tennessee and the nation. This goal is accomplished by providing

educational experiences for to gain knowledge, develop life skills, live healthy lives, make intelligent career choices and form positive attitudes. 4-H serves youth age nine to 19.

The Department of Mental Health and Substance Abuse Services spends over \$3 million on programs meant to engage that are mostly peer and community support. These programs link children and youth to behavioral health and substance abuse treatment resources in their communities and provide further support by engaging them with peers who are similarly situated so they can help each other by sharing their stories and growing together. These programs are mostly state-funded.

Additional programs with this outcome goal include the Administrative Office of the Courts' Victim Offender Reconciliation Program, The Department of Environment and Conservation's Getting YOUth Outdoors program through Tennessee State Parks, Tennessee Arts Commission's teacher training program and the Department of Military's Child and Youth Services program aimed at promoting quality of life and resilience among children of National Guard members given the unique challenges they face.



Tables reporting expenditures by Primary Outcome by state agency and source of expenditures are presented in Appendix B.

Programmatic Focus

Data were collected on the **Programmatic Focus** of expenditures. Departments selected from six different focus areas:

- **General services:** Services to promote the healthy development and education of **All Children** (Examples: regular education, immunizations, health services);
- **Universal prevention:** Services for **All Children** to promote positive outcomes (Examples: substance abuse prevention, bullying prevention, suicide prevention, accident prevention, afterschool programs, 4-H, sports, arts, music);
- **Targeted prevention:** Services for **Children At Risk** of adverse outcomes (Examples: income supports, home visitation, mentoring, special education);
- **Early intervention:** Services for children who have life circumstances or have exhibited behaviors, which if addressed early, can remediate problems and avoid the need for additional interventions (examples: life skills training, mentoring);
- **Moderate intervention:** Services for children who have needs that require intervention in order for them to continue to function in the community (Examples: crisis response, mental health case management, probation, child protective services, foster care, outpatient substance abuse treatment);
- **Intensive intervention:** Services for children who require intensive or long-term intervention to remain in the community or because they are a risk to themselves or others and cannot function in the community (Examples: youth development centers, outpatient sex offender treatment, intensive case management, residential treatment).

As seen in the figures on the following page, the most expensive services by far per child were for intensive intervention. To the extent that universal and targeted prevention services can help to avoid undesirable outcomes in the first place and can help identify children who will benefit from early and moderate intervention, it would be useful to devote more resources to those prevention services. Study after study has demonstrated the effectiveness of early childhood prevention and intervention.

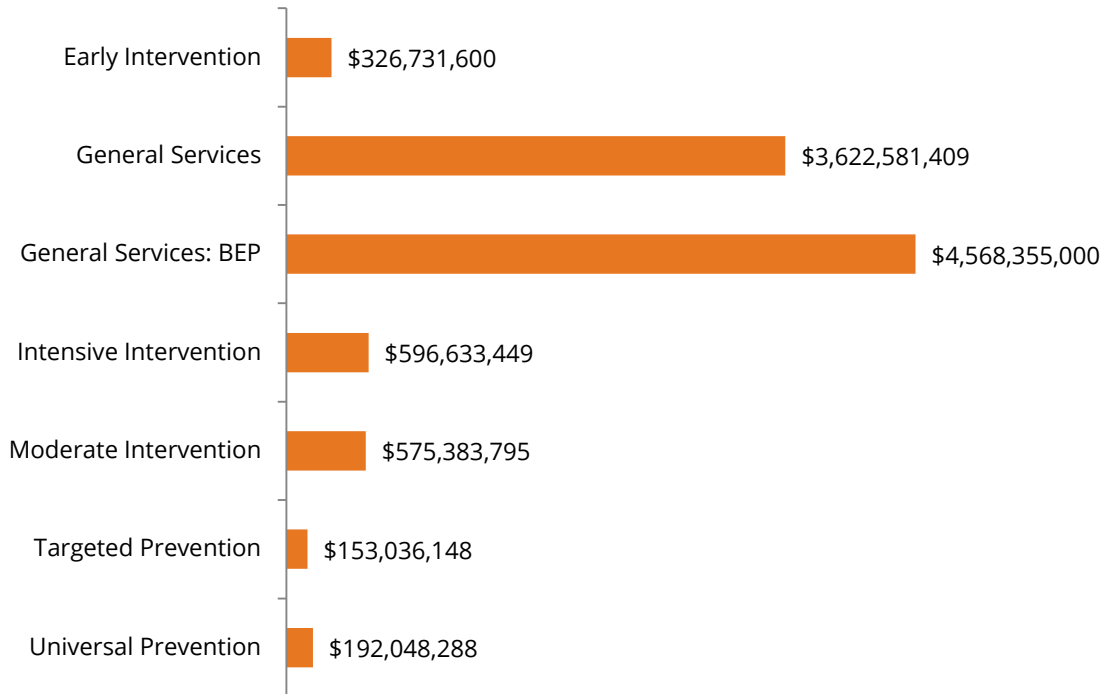
Total expenditures show more spending for intensive intervention than targeted prevention and moderate intervention combined. Universal prevention and early intervention receive less funding, yet these strategies have been shown to be among the best programs when measuring “bang for the buck.”

A 2005 RAND Corporation study examined multiple programs and reported “well-designed early childhood interventions have been found to generate a return to society ranging from \$1.80 to \$17.07 for each dollar spent on the program.”⁸ This could ultimately save money by reducing the need for more intensive, and more costly, interventions.

⁸ Karoly, Lynn A., M. Rebecca Kilburn, and Jill Cannon. 2005. *Early Childhood Interventions: Proven Results, Future Promise*. Santa Monica, CA: The Rand Corporation. Research brief available at http://www.rand.org/pubs/research_briefs/RB9145/index1.html

Total Expenditures by Programmatic Focus

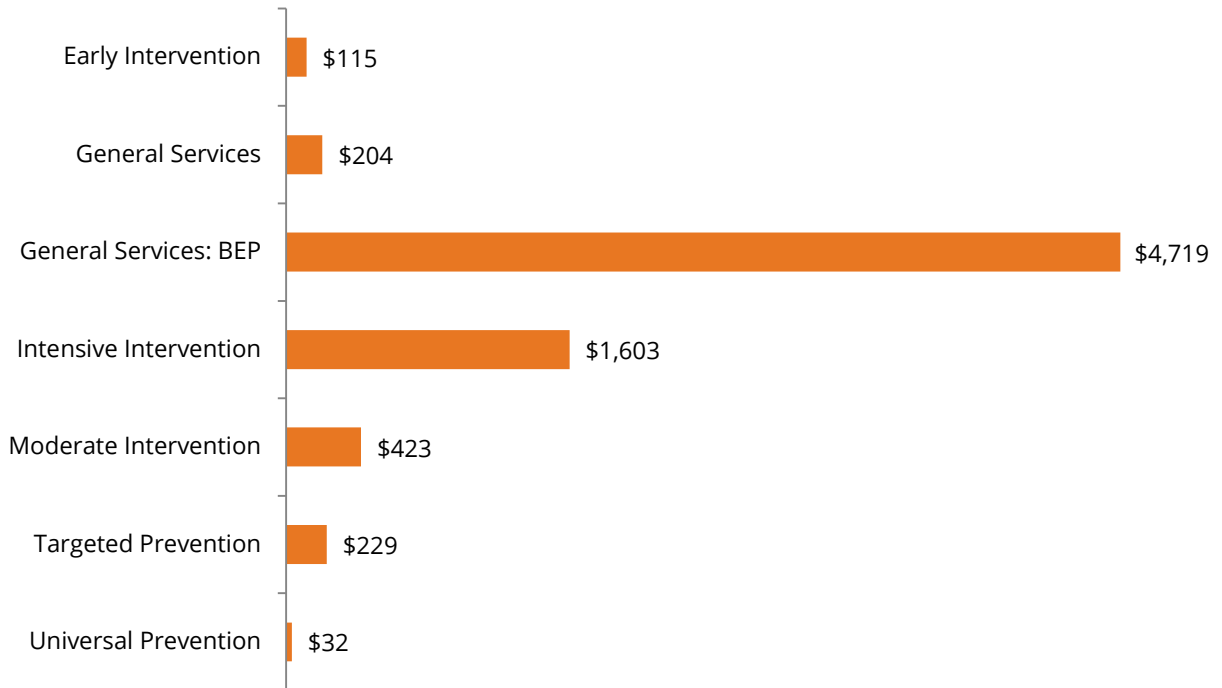
FY 2017-18



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Per Child Expenditures by Programmatic Focus

FY 2017-18



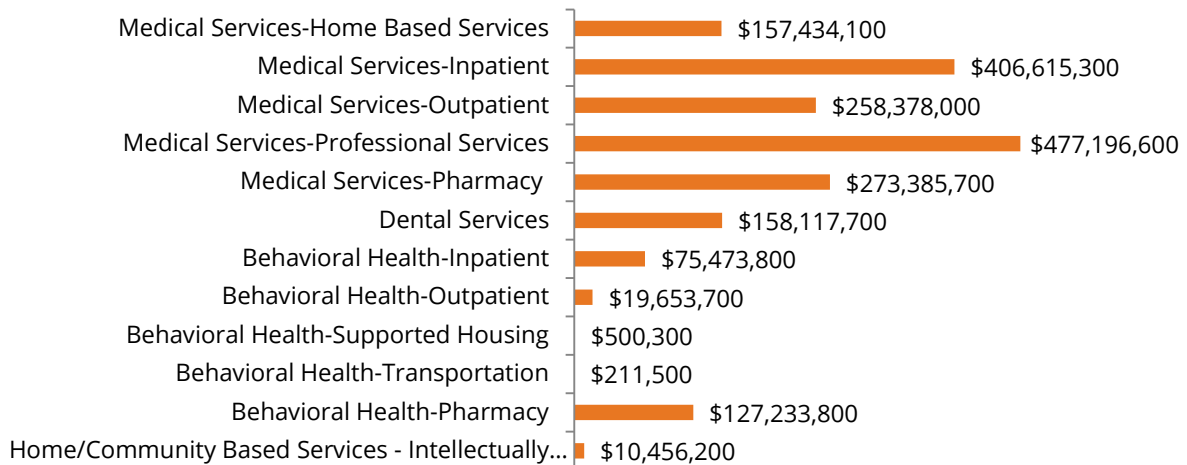
Source: Tennessee Commission on Children and Youth Resource Mapping Project

TennCare

As previously reported, TennCare is the second largest source of expenditures for children in Tennessee with total spending within the Division of TennCare of almost \$2 billion (TennCare also funds multiple programs across departments through interdepartmental transfers that are counted in those departments). The great majority of these dollars are spent on physical health services (80.1 percent). The following bar graph presents TennCare expenditures on children by category.

TennCare Expenditures by Category

FY 2017-18



In TennCare behavioral health services, pharmaceutical interventions dwarf other types, with more than half the spending on children's mental health services (57 percent) going to medication. Behavioral health pharmacy expenditures can be prescribed by both health and mental health providers. It is difficult to gauge exactly what this means for individual children, or what it suggests (if anything) about how behavioral services are delivered to Tennessee children. Some types of medication are very expensive, while others cost very little. Tennessee also receives rebates on pharmaceuticals, which the state in turn spends on pharmacy services going forward. During FY 2017-18, over 60 percent of behavioral health pharmacy expenditures were paid for by pharmacy rebates. Rebates come from previous spending and do not map perfectly to current spending. With the data provided, it is impossible to identify how much of current expenditures will generate rebates and consequently reduce the proportion of mental health services spent on medications.

The federal portion of TennCare (the Federal Medical Assistance Percentage—or FMAP) varies somewhat from year to year—it was 65.82 percent in FY 2017-18. The FMAP is computed using a formula that includes Tennessee's per capita income relative to the country as a whole. Outside of the FMAP, the federal portion of overall Medicaid expenditures will increase for states that expand Medicaid as authorized by the Affordable Care Act (ACA). The federal portion of Medicaid expansion was 100 percent until 2016, when it dropped to 95 percent. It gradually reduces to 90 percent in 2020 and beyond. Tennessee rejected federal Medicaid expansion dollars for this group, leaving \$1.4 billion in 2017-18 federal dollars on the table and hundreds of thousands of Tennesseans without access to health insurance.

Mapping Children's Program Expenditures

Among the data requested from departments for Resource Mapping is a breakdown of expenditures and numbers of children served by each program by county or school district. TCCY maps data from several programs for each report. Many departments are unable to break spending down that way. Some programs are statewide in nature and support children and children's issues without providing services directly to children. The salaries and benefits of Tennessee Commission on Children and Youth (TCCY) staff are counted, for example, but, with the exception of the Ombudsman, staff does not provide services directly to children and cannot allocate those expenses by county. Some programs in other departments do deliver services to individual children, but do not track their services by county.

Programs that serve both children and adults have different challenges, as they are already segmenting their data to produce county-level information about just the portion of program services that benefit children. They are not always able to parse the data in additional ways. For example, the Department of Human Services administers SNAP, which supplements food for individuals and families living at or near poverty. Households can qualify for the program even if they have no children, and benefits vary based on household circumstances. The department is able to break out the number of children served in each county but not expenditures that benefit just children.

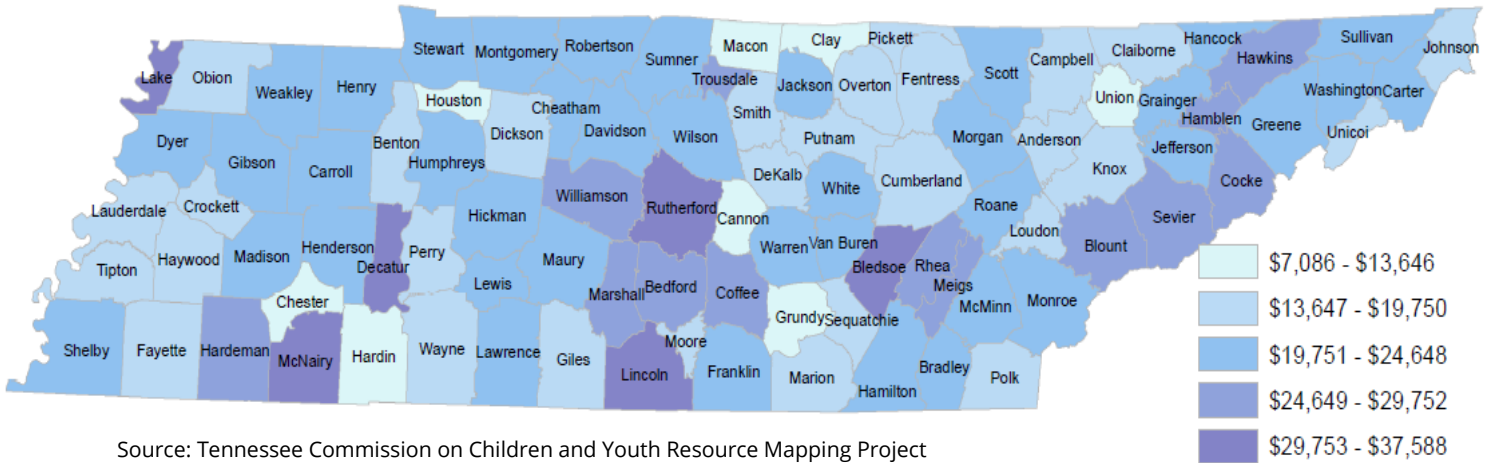
Maps for SNAP and programs like it show the percentage of children living in each county who receive services. It is a bit less information, but still allows for some comparisons among counties. The SNAP example provides a good illustration. Households receive SNAP benefits at different levels based on need, and those differences do not show in the maps. Children who live in families with higher incomes that receive less in SNAP benefits look just the same in this data as children in families living in deep poverty and receiving higher levels of benefits. In these circumstances, county maps give a snapshot of the breadth of need based on the numbers of children receiving benefits but not the depth of need that would show how far these children and their families are from food security and how that varies across counties.

Some programs, especially some in the Department of Education, allocate expenditures based on the number of children, making the expenditure per child a generally fixed amount that is the same in every county. In this case, county expenditures are just a multiple of enrollment and reflect the number of public school children in each county compared to other counties. Total expenditures, per-child expenditures and percentage of children served are also all reflections of population measures and do not make meaningful maps. Programs with these kinds of spending formulas are not generally mapped in this section even if county-level data is available. One exception is when the program is in many counties but not all. These are sometimes mapped to show which counties have active programs.

Department of Children's Services: Foster Care Services

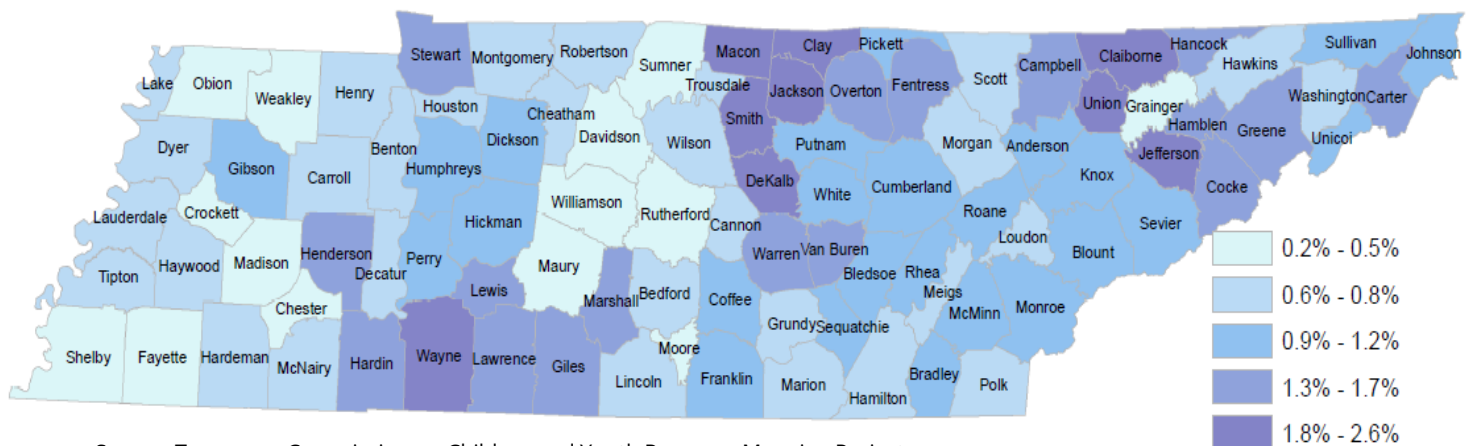
The Department of Children's Services (DCS) Foster Care program provides 24-hour care for children for a temporary period either in DCS foster homes or in contract provider placements. Such care is provided when the child's normal family environment is disrupted. Services may include therapeutic foster care with a trained foster parent and foster care for medically fragile children with intense medical needs.

**Foster Care Services for Children and Youth
Per-Child Expenditures for Participating Children, FY 2017-18**



The percentage of children in Tennessee who are in foster care varies across the state. Rural areas can show a higher percentage based mostly on a small population that makes a small number of cases weigh heavily in the rate. But some of the issues in rural areas are likely related to the opioid epidemic that is more prevalent in the eastern part of the state and in rural areas.

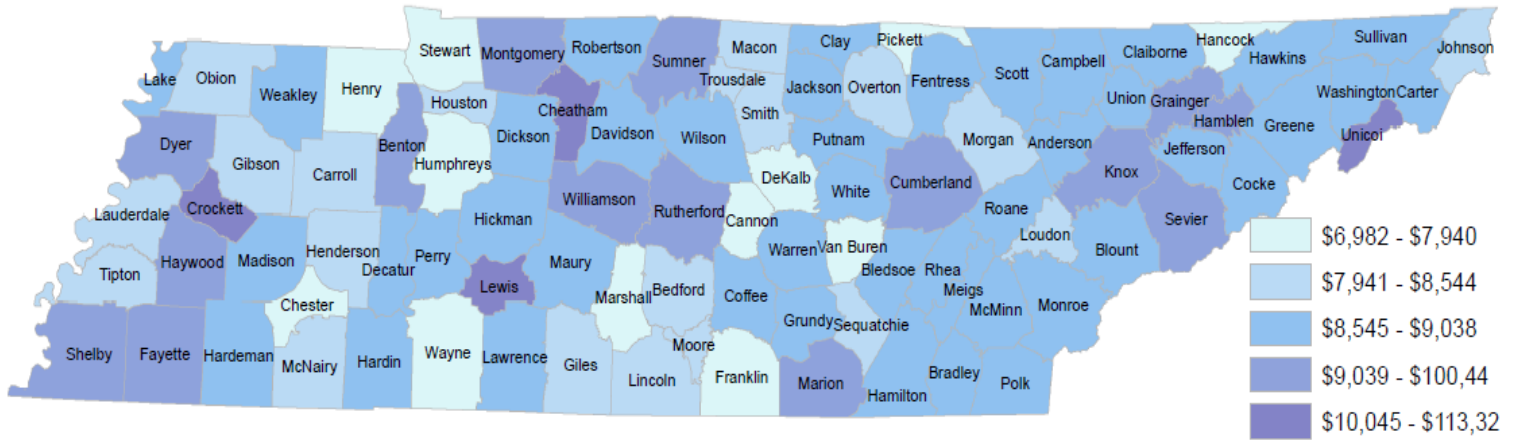
**Foster Care Services for Children and Youth
Percentage of Children Participating FY 2017-18**



Department of Children's Services: Adoption Support Services

The DCS Adoption Services Program offers child-focused services based on the philosophy that every child has the right to a loving, nurturing and safe family. Adoption Assistance provides ongoing financial and medical assistance to adoptive families on behalf of children who have special needs as well as adoption recruitment and placement and pre-adoption and post-adoption support.

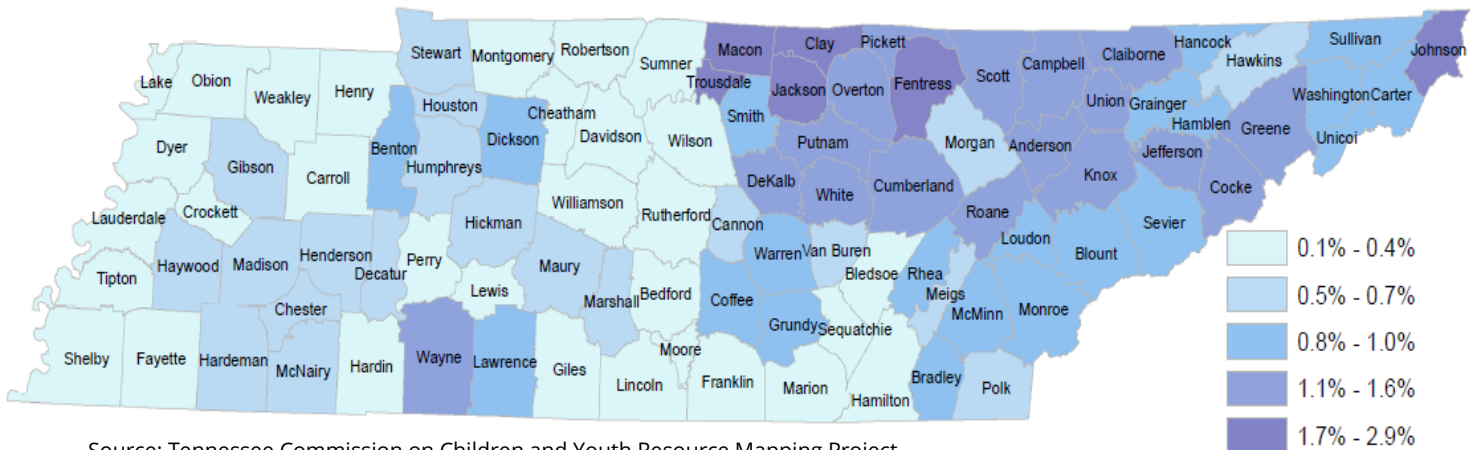
**Adoption Support Services
Per-Child Expenditures for Participating Children, FY 2017-18**



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Adoption assistance follows children who are determined unlikely to be placed with a family that does not require assistance. Some of the factors affecting that decision are if the child is older, has siblings that need to stay together, has been in DCS custody for years or has special medical, behavioral or intellectual needs.

**Adoption Support Services
Percentage of Children Participating, FY 2017-18**

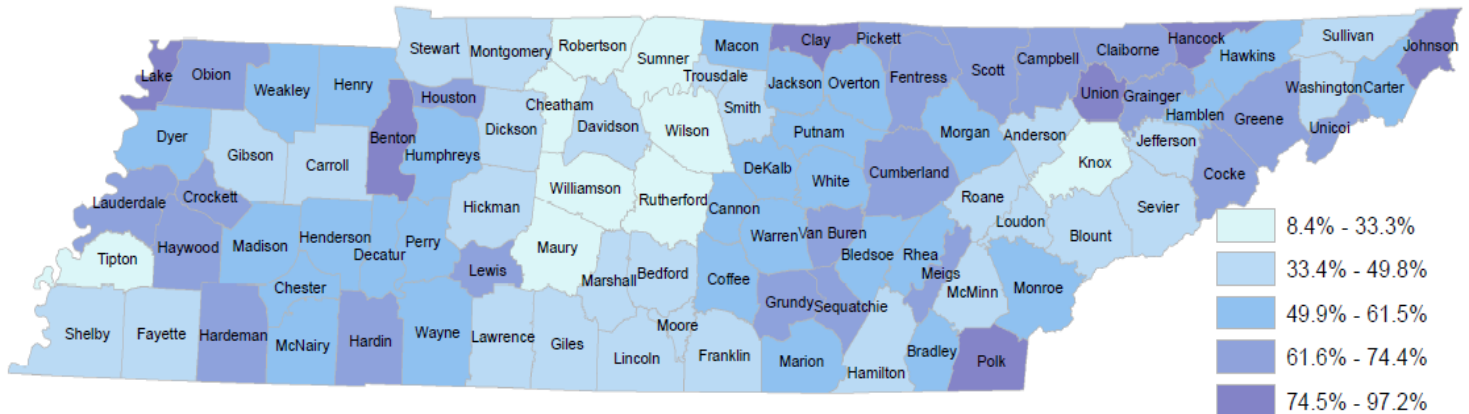


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Health: Women, Infants and Children (WIC) Nutrition Program

By far the largest expenditures made by the Department of Health on children are for WIC. When the various services are combined, including nutrition supplementation, nutrition education, breastfeeding promotion and office visits, reported WIC expenditures total close to \$150 million. Pregnant moms, new moms and young children all over the state benefit.

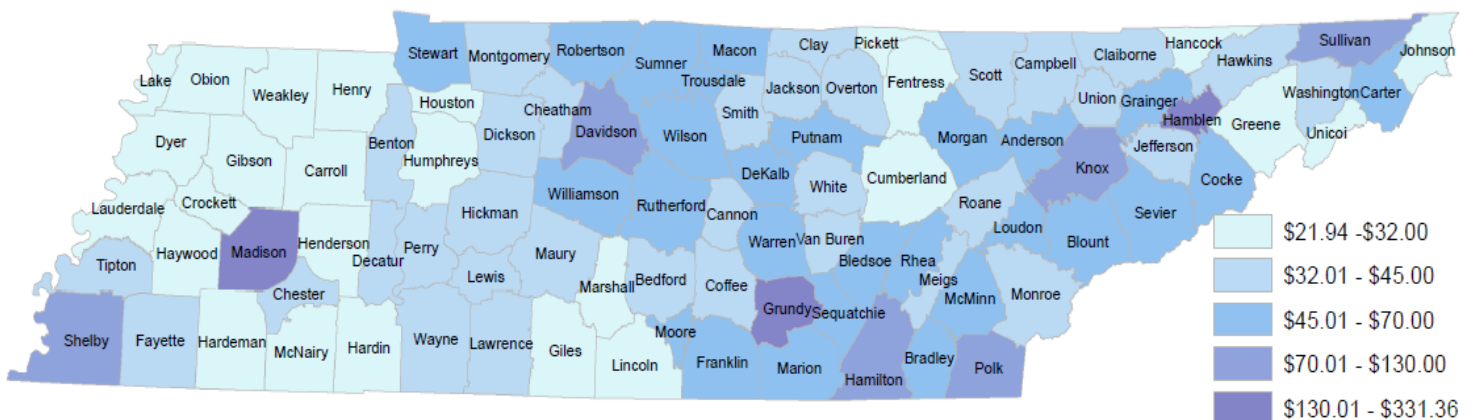
**Women, Infants and Children (WIC) Programs
Percentage of Children under Five Participating FY 2017-18**



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Nutrition is very important in these early years, and the per-child cost of these programs is quite small compared to the benefits of healthy children with a solid nutritional foundation for healthy growth and development. WIC benefits for pregnant moms can also reduce the numbers of pre-term births and low birthweight babies for better outcomes and significant cost savings.

**Women, Infants and Children (WIC) Programs
Per-Child Expenditures for Participating Children, FY 2017-18**

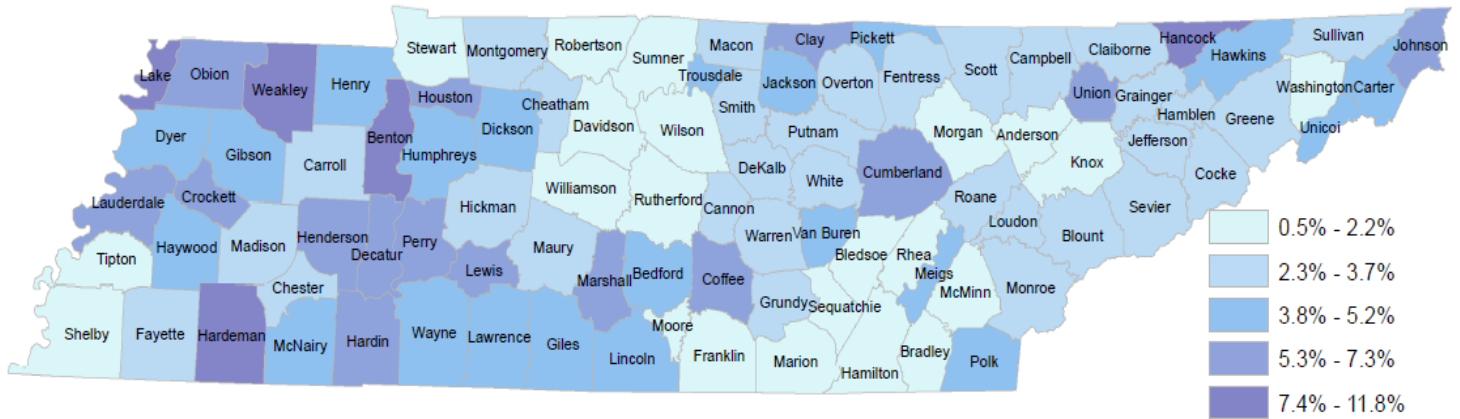


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Health: Men's and Women's Health and Family Planning

Tennessee's local health departments provide a variety of health services, some of which can be hard to find in many areas across the state otherwise. Among these are men's and women's health and family planning services. Patients receive a complete physical exam and all appropriate lab tests. Patients are also taught about birth control and may be supplied with a birth control method. Many contraceptive problems can also be treated at all local health departments.

**Family Planning
Percentage of Youth Age 10-21 Participating FY 2017-18**

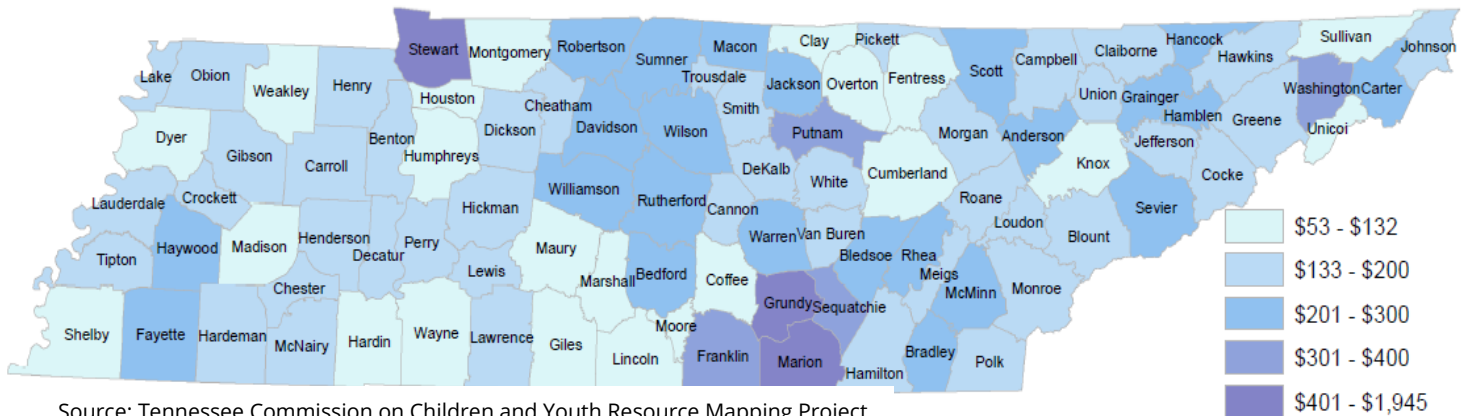


Source: Tennessee Commission on Children and Youth Resource Mapping Project

The Family Planning Program serves both men and women and provides the following services:

- Yearly Check-Up;
- Reproductive Life Planning;
- Basic Infertility Services;
- Comprehensive Contraceptive Services.

**Family Planning
Per-Patient Expenditures for Participating Youth FY 2017-18**



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Health: In-Home Case Management

The Child Health and Development Program is a home-based prevention/intervention program that has been in existence for over 40 years. The program is designed to support parents by providing child development and parenting education. CHAD services are provided to children who are at risk of abuse and neglect, at risk of developmental delay or have an identified delay. The program serves 22 counties of the East and Northeast Tennessee regions.

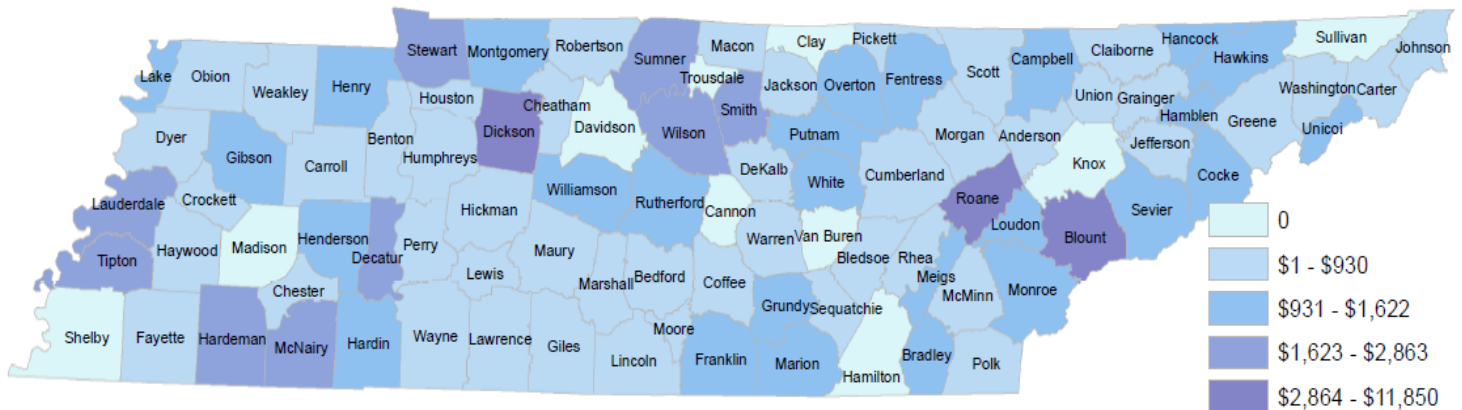
The Help Us Grow Successfully (HUGS) program is a targeted case management program that provides home-based intervention services to pregnant/postpartum women, children birth through the age of five years and their primary caregivers. Care coordinators form a unique and voluntary relationship with a family. Care coordinators screen for and identify potential problems, provide education and connect families with resources in their communities. The HUGS program seeks to prevent or reduce risks as well as promote health and wellness.

**Child Health and Development (CHAD) and Help Us Grow Successfully (HUGS)
Rate per 1,000 Children under Five Participating FY 2017-18**



Source: Tennessee Commission on Children and Youth Resource Mapping Project

**Child Health and Development (CHAD) and Help Us Grow Successfully (HUGS)
Per-Child Expenditures for Participating Children, FY 2017-18**



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: Basic Education Program

The Basic Education Program (BEP) is the primary path for state dollars to flow to local school districts. The Department of Education provides the following information on its website as a general overview of the program.

- The funds generated by the BEP are what the state has defined as sufficient to provide a basic level of education for Tennessee students. This basic level of funding includes both a state share of the BEP and a local share of the BEP.
- The BEP has three major categories (instruction, classroom and non-classroom), each made up of separate components related to the basic needs of students, teachers and administrators within a school system.
- Student enrollment (average daily membership) is the primary driver of funds generated by the BEP.
- There are 45 BEP components with most based on student enrollment (ADM). For example, students per teacher, assistant principals per school or dollars per student for textbooks.
- Unit cost adjustments (salary, health benefits, insurance) are essential to maintaining a similar level of funding from year to year, due to inflation. For example, in 2017-18 over \$200 million new state dollars were required to maintain full funding of the BEP.
- The funds generated by the BEP are divided into state and local shares for each of the three major categories (instructional, classroom, non-classroom).
- The state and local share for each school system is based on an equalization formula that is applied to the BEP. This equalization formula is the primary factor in determining how much of the BEP is supported by the state vs. the local district.
- The equalization formula is driven primarily by property values and sales tax, applied at a county level. For example, the state and local equalization shares for County System A would be the exact same state and local shares for City System A within the same county
- All local school systems are free to raise additional education dollars beyond the funds generated by the BEP.⁹

Much has been made over the years of the complicated nature of the BEP formula. Total expenditures are determined by the resources that local school districts require to meet basic education requirements. This aspect drives total BEP expenditures to annual increases that reflect cost increases even in times when an economic downturn might tempt other states to cut funds. The equalization portion is figured separately and determines the portion of total basic education expenditures that will be borne by individual counties and how much will be supplied by the state to those counties.

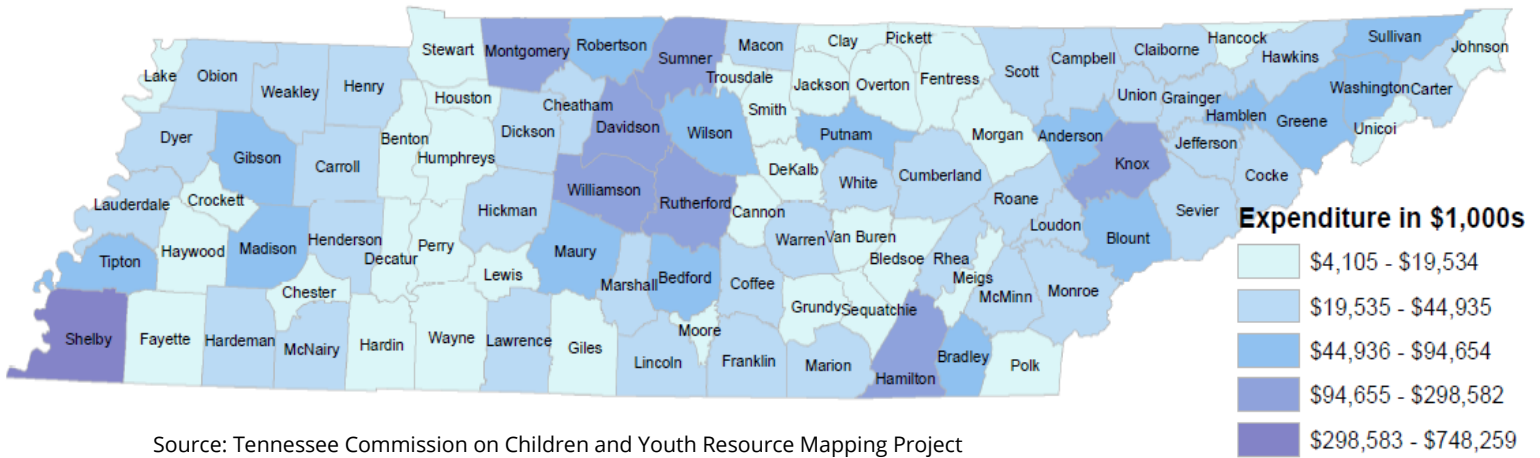
In response to the general confusion, the Department of Education maintains an excellent handbook explaining BEP methodology, which is a must-read for anyone who wishes to fully understand the program's funding.¹⁰ The Office of Educational Accountability has also created a downloadable spreadsheet allowing anyone to tweak inputs and see how funding changes as a result.¹¹

⁹ <https://www.tn.gov/sbe/topic/bep>

¹⁰ https://www.tn.gov/assets/entities/sbe/attachments/BEPHandbook_revised_March_2016.pdf

¹¹ <http://www.comptroller.tn.gov/orea/bep>

Basic Education Program (BEP) Total Expenditures, FY 2017-18

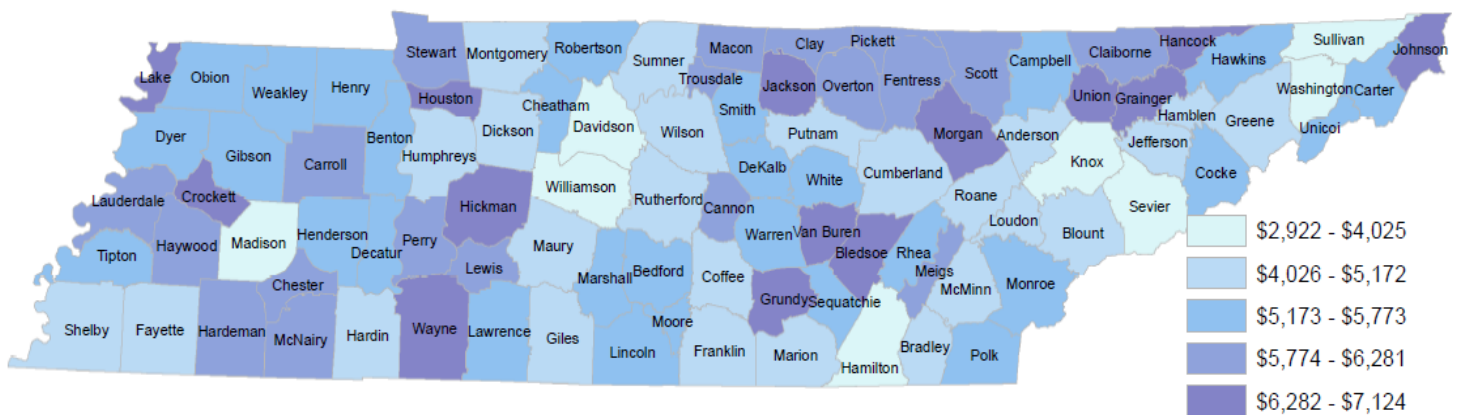


Source: Tennessee Commission on Children and Youth Resource Mapping Project

While total BEP expenditures are naturally significantly higher in the counties with the most public school students, per-child BEP expenditures are largest where local tax bases are the smallest. The BEP includes a fiscal capacity formula that determines what percentage of total BEP-generated expenditures will be provided by the state and what percentage will be expected to be provided by the county.

Low property values relative to the rest of the state, as well as a smaller portion of property tax revenues that come from business (rather than residential and farm property) are major drivers of state per-child expenditures in individual counties. A lack of significant retail sales that generate sales tax revenues also pushes per-child state expenditures higher. The portion of overall population that is made up of students and per capita personal income are also components of the fiscal capacity formula that determines what portion of BEP spending will be supplied by the state to each county. For most parts of the BEP, counties with higher tax bases pay more than they receive.

Basic Education Program (BEP) Per-Child Expenditures for all Students, FY 2017-18



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: Tennessee Early Intervention System (TEIS)

Under the Individuals with Disabilities Education Act (IDEA), every state has a Part C program for children birth through two years of age and their families. Each state decides its own eligibility rules. In Tennessee, children whose test results show that they have a 25 percent delay in two developmental areas or a 40 percent delay in one area may be eligible for TEIS. A child may have a developmental delay if he or she is far behind other children the same age in one or more of the five major skill areas:

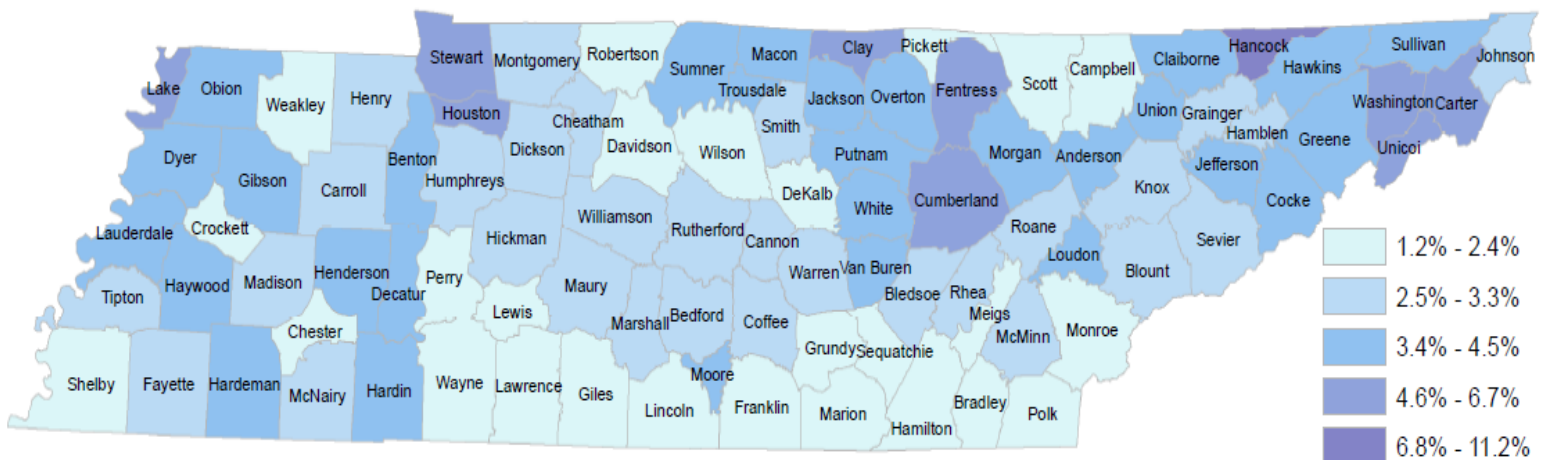
- Motor (crawling, walking, using their hands to play);
- Communication (babbling, indicating wants and needs, talking);
- Cognitive (thinking skills including making choices and solving problems);
- Social (playing near or with other children or adults); and
- Adaptive (taking care of ones needs).¹²

Information from the child’s doctor as well as the results of a developmental test will determine if a child meets the eligibility criteria in Tennessee.

The principles of Tennessee’s Early Intervention System are to:

- Support families in promoting their child’s optimal development;
- Facilitate the child’s participation in family and community activities; and
- Encourage the active participation of families in the intervention by imbedding strategies into family routines.¹³

Tennessee Early Intervention System (TEIS) Program Percent of Children under Three Served, FY 2017-18



Source: Tennessee Commission on Children and Youth Resource Mapping Project

¹² <https://www.tn.gov/education/article/teis-eligibility>

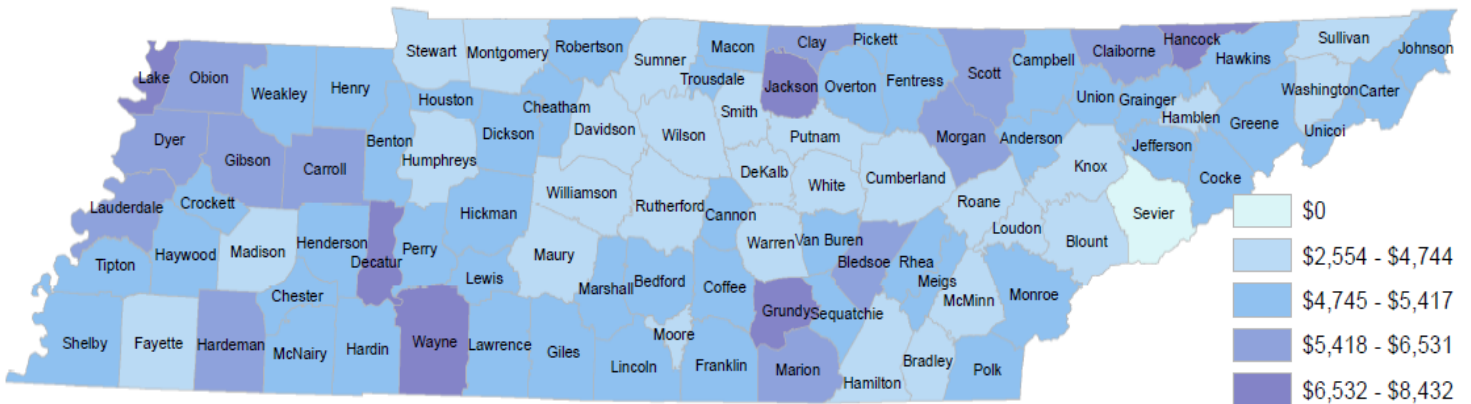
¹³ <https://www.tn.gov/education/topic/tennessee-early-intervention-system-teis>

Department of Education: Voluntary Pre-K

The Voluntary Pre-K initiative provides Tennessee's four-year-old children—with an emphasis on four year olds who are at-risk—an opportunity to develop school readiness skills, both pre-academic and social-emotional skills.

Voluntary Pre-K classes promote a high-quality academic environment, which fosters the love and joy of learning and promotes success in kindergarten and throughout the child's life.

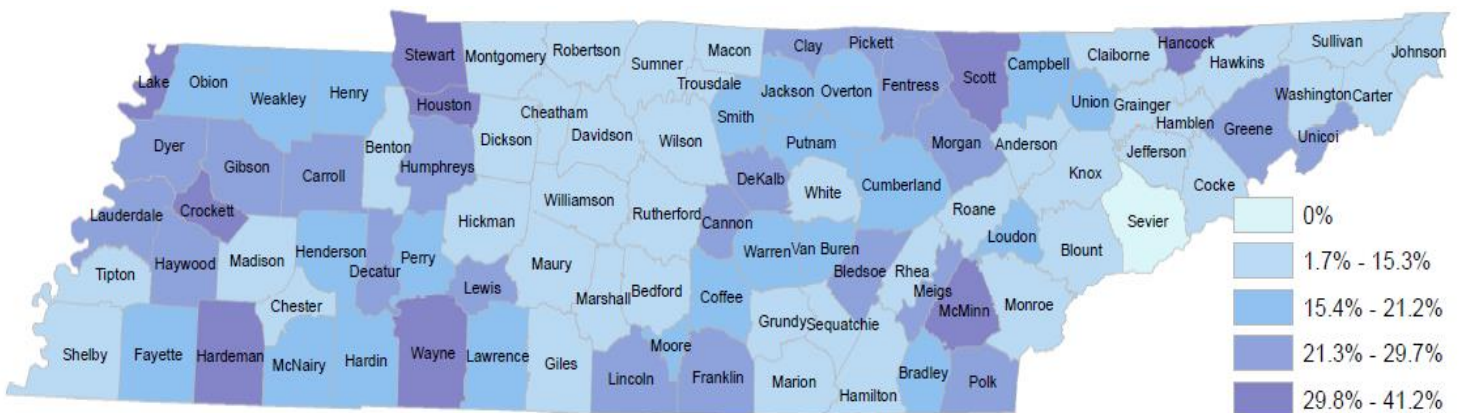
**Voluntary Pre-K Program,
Per-Child Expenditure for Participating Students, FY 2017-18**



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Some counties offer pre-K programs separate from and in addition to Voluntary Pre-K. Those are not included in this data, and the percent of children participating counts only those in state-funded Voluntary Pre-K programs. Sevier County dropped out of the VPK program beginning in FY 2017-18.

**Voluntary Pre-K Program,
Percent of Three- and Four-Year-Olds Participating, FY 2017-18**

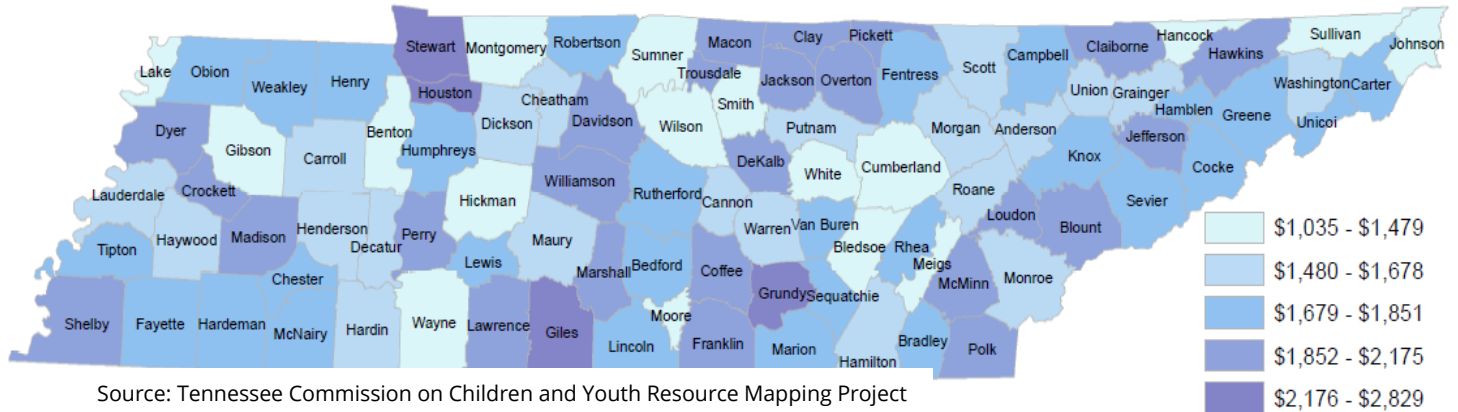


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: IDEA School-Age Services

Tennessee special education is anchored in the foundational belief that all students can achieve and all students deserve access to postsecondary and career opportunities after graduation. Within the special populations division, it is Tennessee’s mission to support districts and schools in graduating students who are equipped with the knowledge and skills necessary to successfully embark on their chosen path in life.

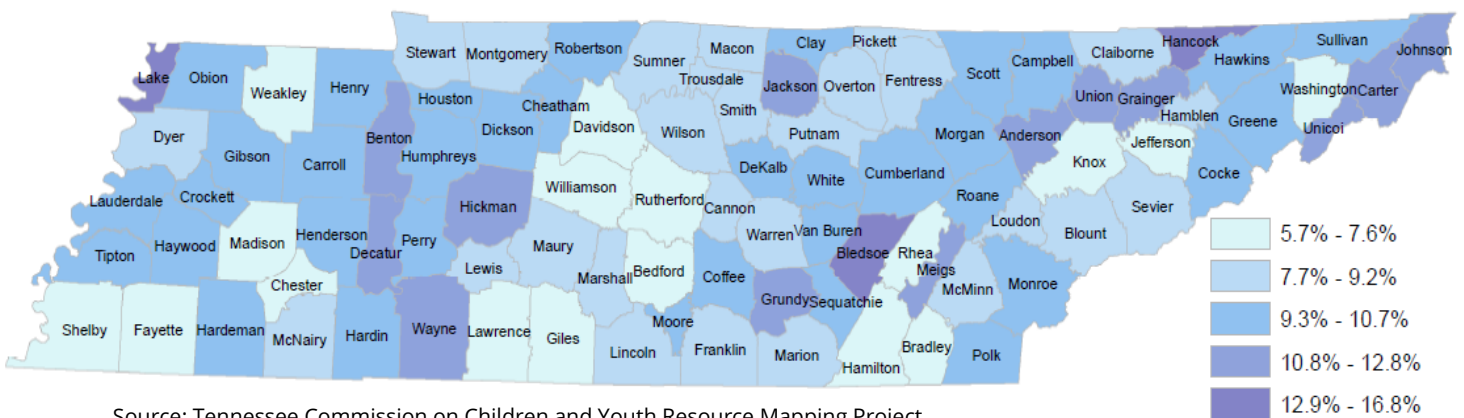
**IDEA School-Age Services,
Per-Child Expenditure for Participating Students, FY 2017-18**



Tennessee Special Education Beliefs Driving the Work

- Special education is not a place. It is the most intensive intervention along the continuum of service defined by individual need, services, and placement.
- Strong leadership at every level is the foundation of a collaborative and inclusive environment that supports ALL students.
- All students are general education students first. Every student can learn, demonstrate growth and must have access to high quality, evidence-based instruction that maximizes their potential in the least restrictive environment.
- Educators are professionals, content experts and the key to student success. They should be supported instructionally and professionally.
- All students can achieve postsecondary success.

**IDEA School-Age Services
Percent of Children Participating, FY 2017-18**

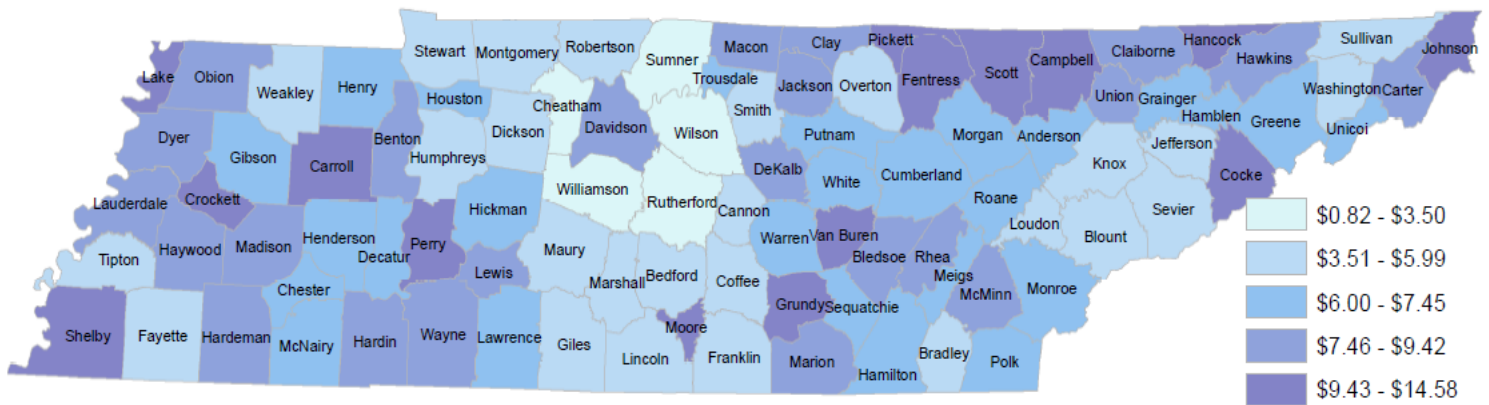


Department of Education: Student Support and Academic Enrichment

Student Support and Academic Enrichment grants are intended to improve students' academic achievement by increasing the capacity of state educational agencies (SEAs), local educational agencies (LEAs), and local communities to:

- provide all students with access to a well-rounded education,
- improve school conditions for student learning, and
- improve the use of technology in order to improve the academic achievement and digital literacy of all students.

**Student Support and Academic Enrichment
Per-Child Expenditure for All Students, FY 2017-18**

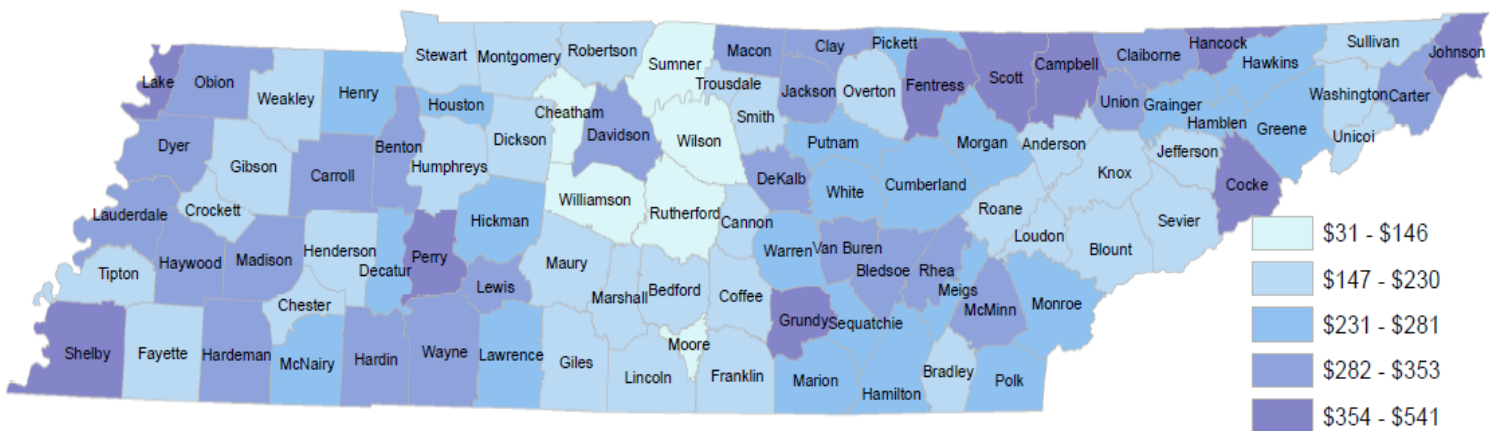


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: Improving Basic Programs

Title I, Part A of the Every Student Succeeds Act (ESSA) provides supplemental funding to state and local educational agencies to acquire additional education resources at schools serving high concentrations of students from low-income homes. These resources are used to improve the quality of education programs and ensure students from low-income families have opportunities to meet challenging state assessments.

**Improving Basic Programs
Per-Child Expenditure for All Students, FY 2017-18**

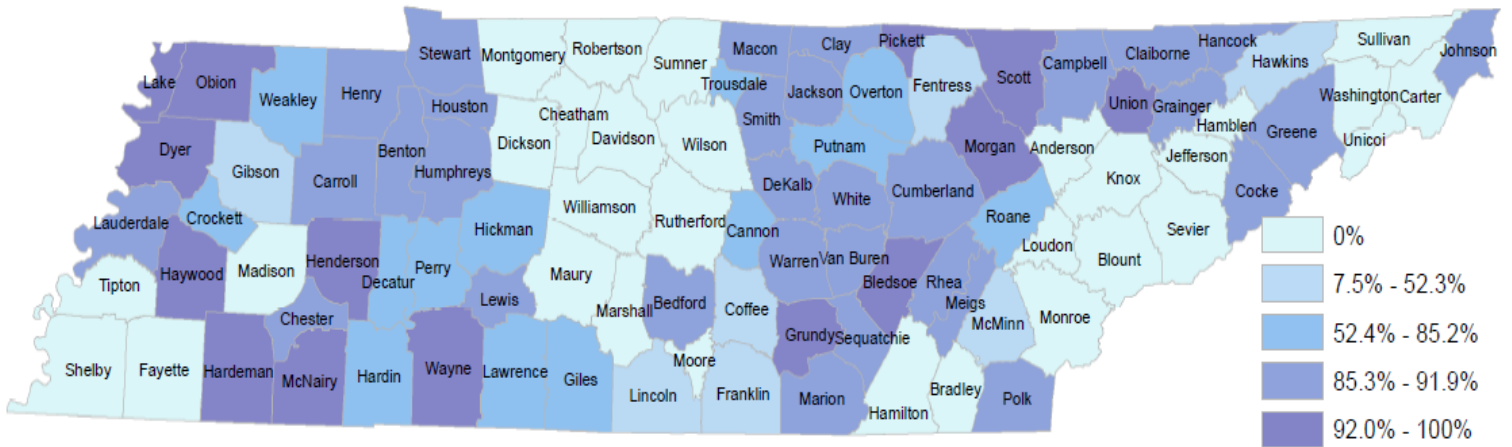


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: Rural Education Initiative

Title V, Part B of the Every Student Succeeds Act (ESSA), the Rural Education Initiative, is designed to assist rural school districts in using federal resources more effectively to improve the quality of instruction and student academic achievement.

**Rural Education Initiative
Percent of Children Participating, FY 2017-18**

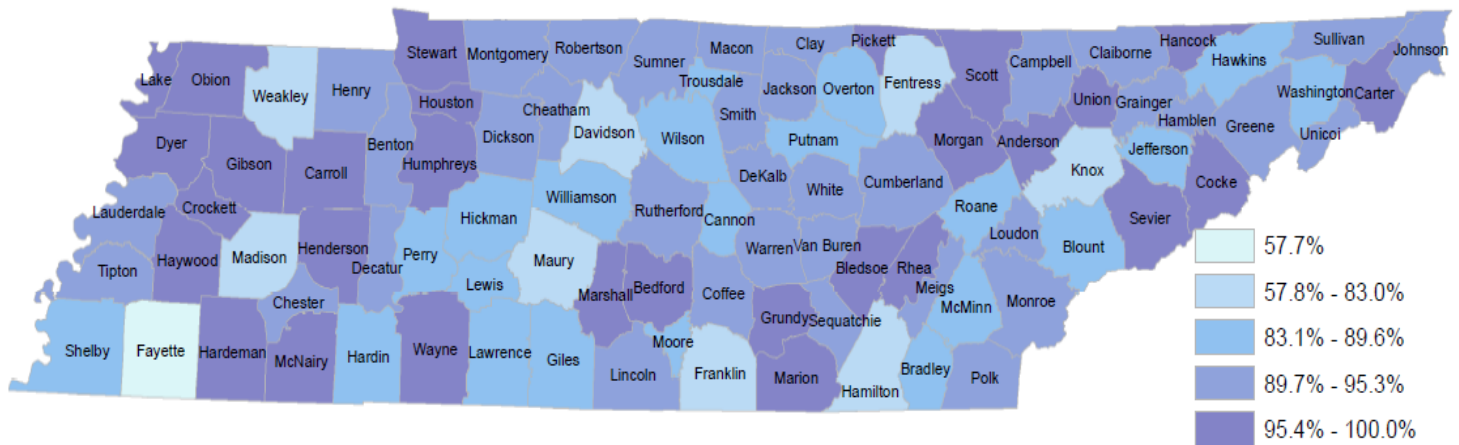


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: Internet Connectivity

The state provides state funds to ensure that all K-12 schools maintain internet connectivity.

**Internet Connectivity
Percent of Students Participating, FY 2017-18**

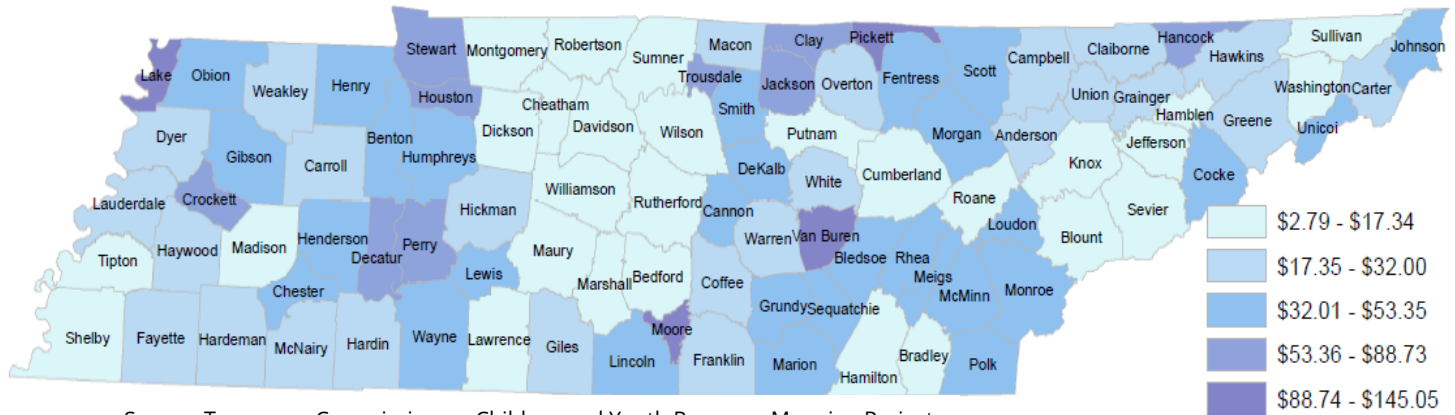


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: Coordinated School Health

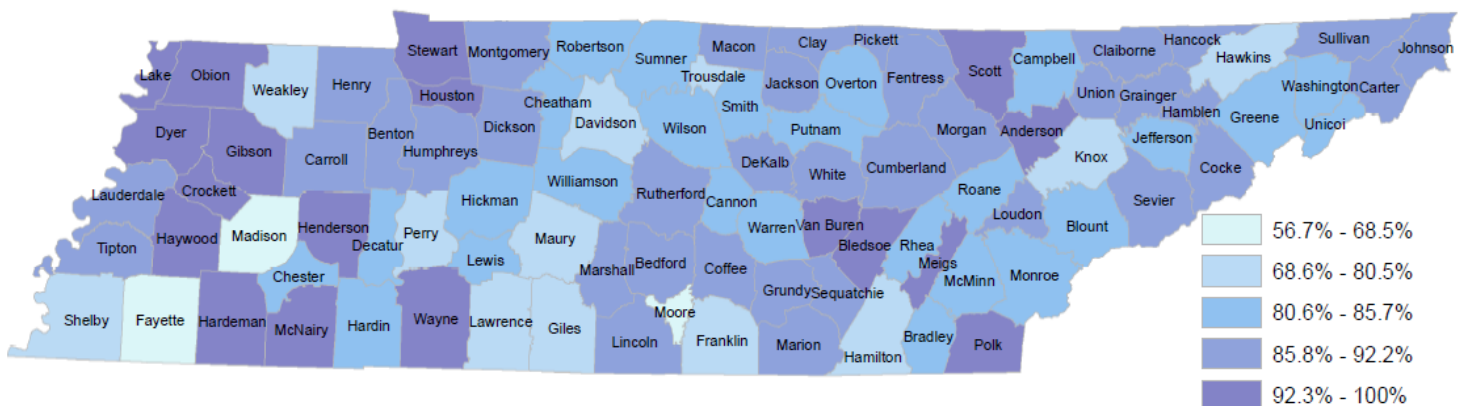
Coordinated School Health connects physical, emotional and social health with education through eight inter-related components. This coordinated approach improves students' health and their capacity to learn through the support of families, communities and schools working together. Coordinated School Health works with many partners to address school health priorities.

**Coordinated School Health,
Per-Child Expenditure for Participating Students, FY 2017-18**



<p>Eight Components of Coordinated School Health</p>	<ul style="list-style-type: none"> • Health Education; • Health Services; • Nutrition; • Physical Education/Physical Activity; • Healthy School Environment; • School Counseling, Psychological, and Social Services; • Student, Family, and Community Involvement; and • School Staff Wellness.
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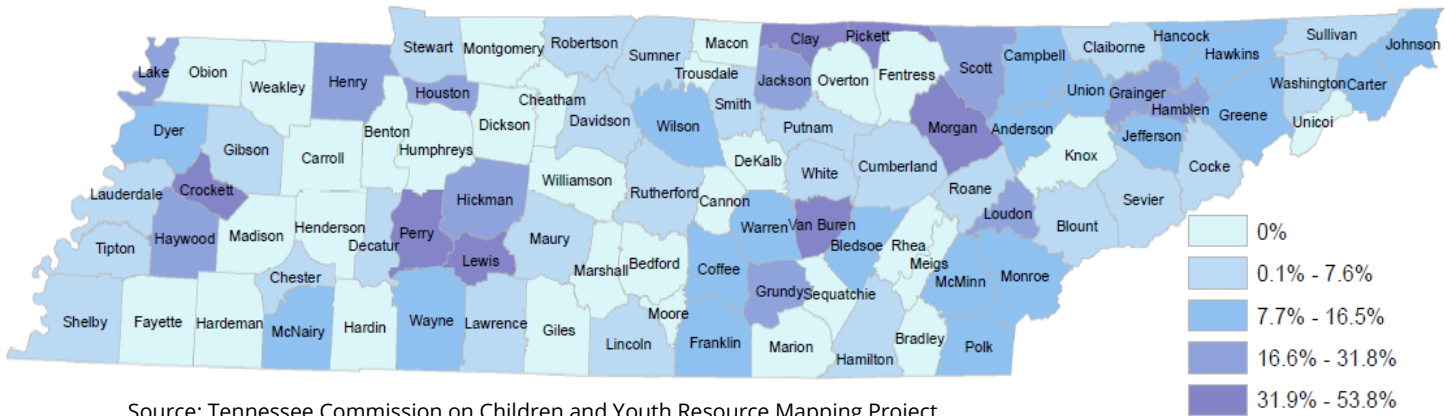
**Coordinated School Health
Percent of Children Participating, FY 2017-18**



Department of Education: Family Resource Centers

Many of Tennessee’s students face obstacles—poverty, hunger, homelessness, abuse, mental illness, substance abuse, family conflict—which threaten their ability to learn. While schools are not structured to solicit resources to address the challenges that threaten the basic needs of many families, the Family Resource Centers (FRCs) can. They have the ability to engage local businesses and civic and community organizations to help provide services and resources beyond the typical scope of the school system.

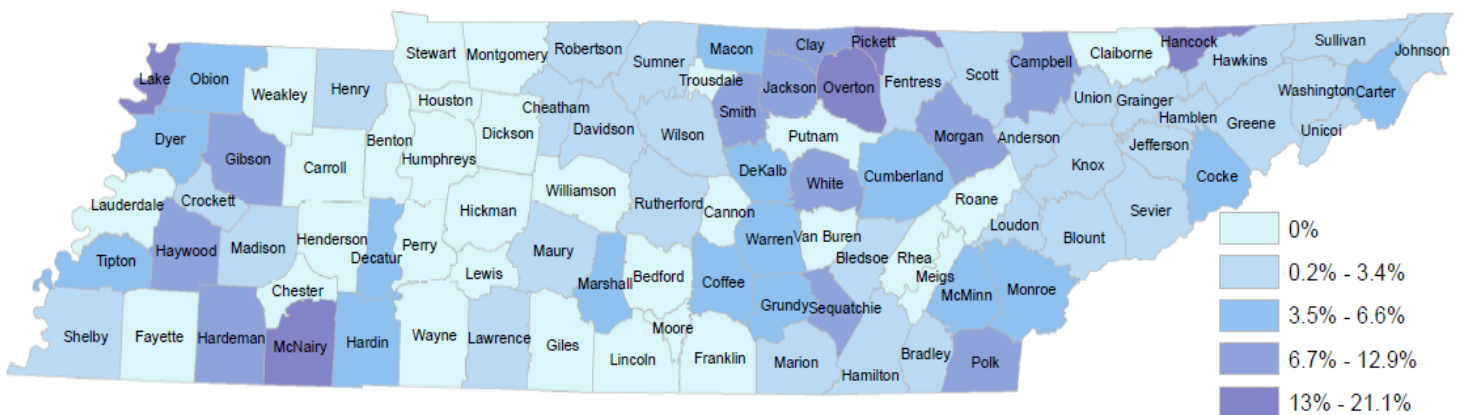
Family Resource Centers Percent of Children Served, FY 2017-18



Department of Education: 21st Century Community Learning Centers

The 21st Century Community Learning Centers (21st CCLC) initiative is the only federal funding source dedicated exclusively to supporting local afterschool, before-school and summer learning programs. Each state receives funds based on its Title I funding for low-income students. Grants support schools and community-based organizations that provide afterschool and summer learning programs to students attending high-poverty, low-performing schools.

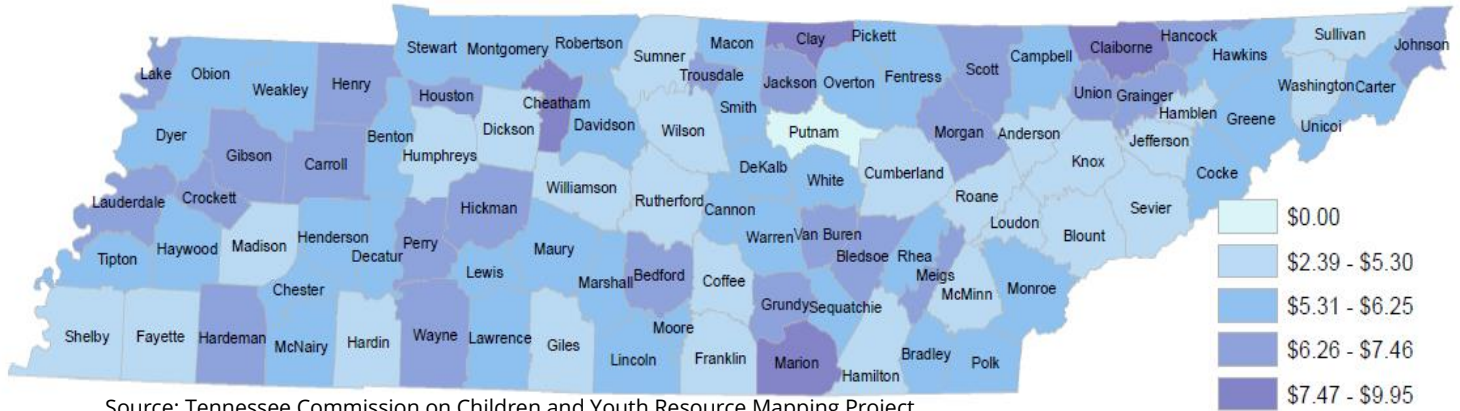
21st Century Community Learning Centers Percent of Children Served, FY 2017-18



Department of Education: Safe Schools

Safe Schools Act funds are provided to decrease the likelihood of violent or disruptive behavior and to protect students and staff from harm when such behavior may occur. Funds are provided to all of Tennessee's local school systems for one or more the following purposes: innovative violence prevention programs, School Resource Officers, conflict resolution, disruptive or assaultive behavior management, improved school security, peer mediation, and training for employees on the identification of possible perpetrators of school-related violence.

**Safe Schools
Per-Child Expenditure for all Students, FY 2017-18**

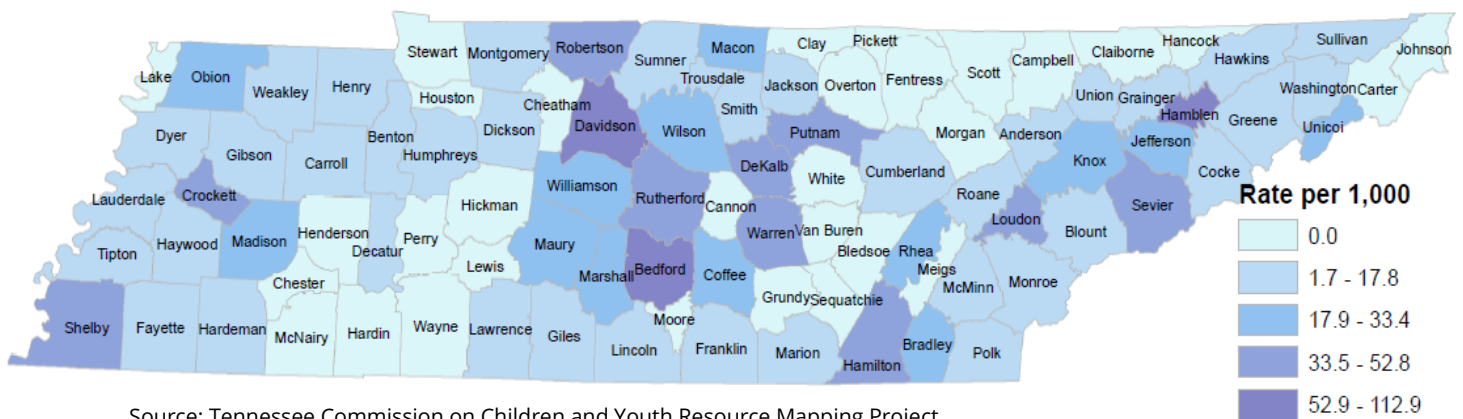


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: English Language Acquisition (ELA)

Tennessee’s ELA population is increasing significantly, with 45 percent growth from 2011 to 2017. In 2016-17, 132 Tennessee districts and 1,451 schools served English language learners. Should this growth trajectory continue, we will exceed 60,000 English language learners by 2020. These changes in Tennessee’s population will have a significant impact on the educational trends in the state. Tennessee is committed to ensuring that all students, including English learners, have the opportunity for success in rigorous coursework, access to early postsecondary opportunities and access to highly effective teachers.

**English Language Acquisition
Rate of Children Served per 1,000 Children, FY 2017-18**

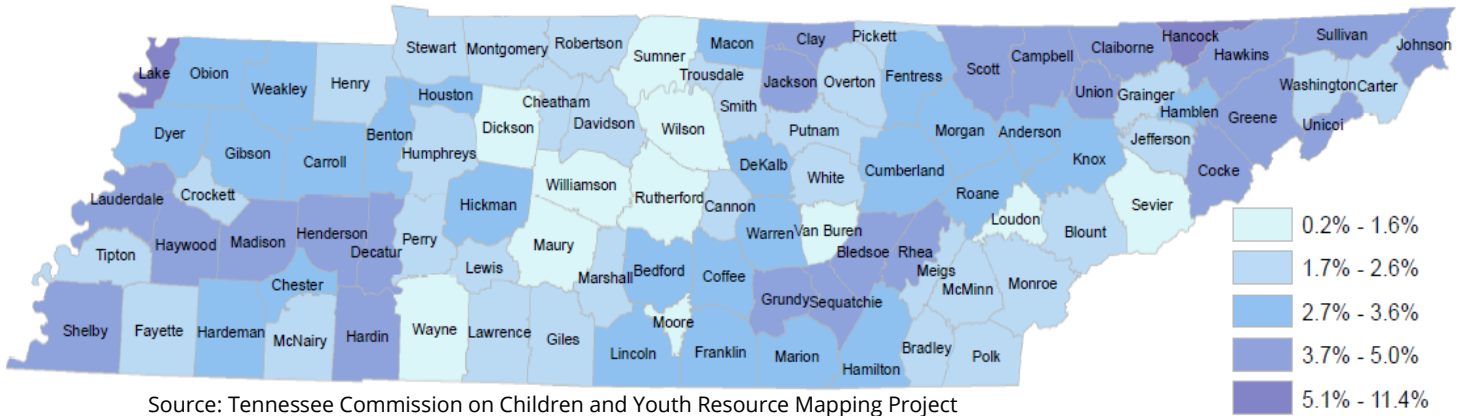


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Human Services: Families First (TANF)

Among the programs offered by the Department of Human Services to support vulnerable children and families is Families First, the state’s Temporary Assistance for Needy Families (TANF) program. Families First is a workforce development and employment program. It is temporary and has a primary focus on gaining self-sufficiency through employment.

**Families First: Temporary Assistance for Needy Families (TANF)
Percent of Children in Each County Receiving Benefits, FY 2017-18**

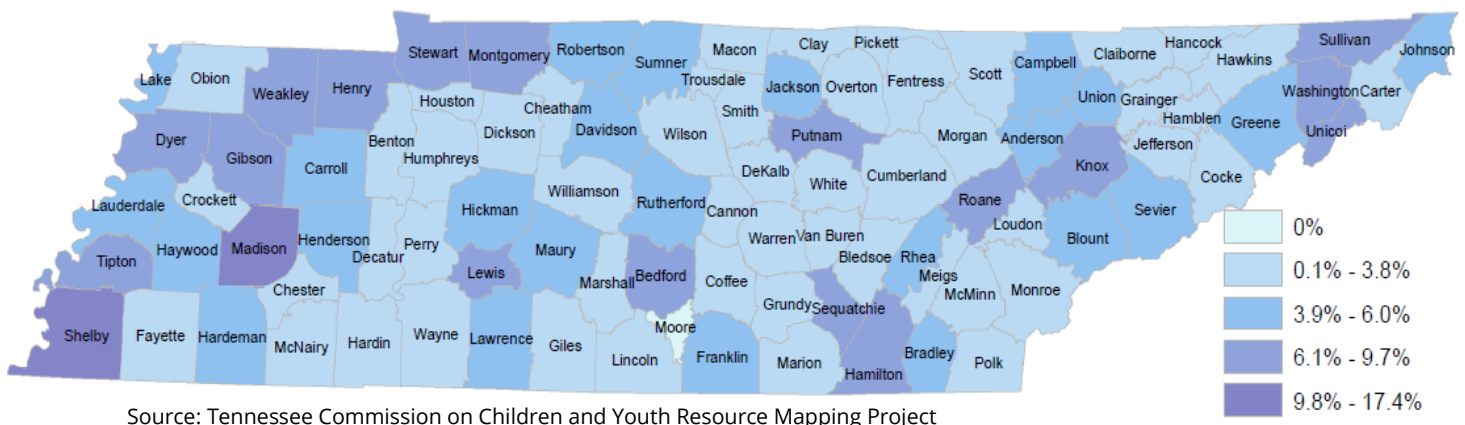


Department of Human Services: Child Care Benefits

Provides child care payment assistance to eligible caregivers. Eligibility requires

- Smart Steps: income below the 85th percentile of State Median Income; children six (6) weeks to five (5) years old; parent(s) work, go to school or both, for 30 hours or more a week.
- Teen Parent: High school or middle school mothers who stay in school.
- Families First: Parents in the Families First program who need child care to complete the work activities in their personal responsibility plan.
- Families First Transitional: Parents whose Families First case has closed can receive transitional child care assistance for 18 months IF each parent works 30 hours or more a week.
- Non-parental guardians in the Families First program who need child care for a related child IF the guardian does 30 or more hours of work, training, or education a week.

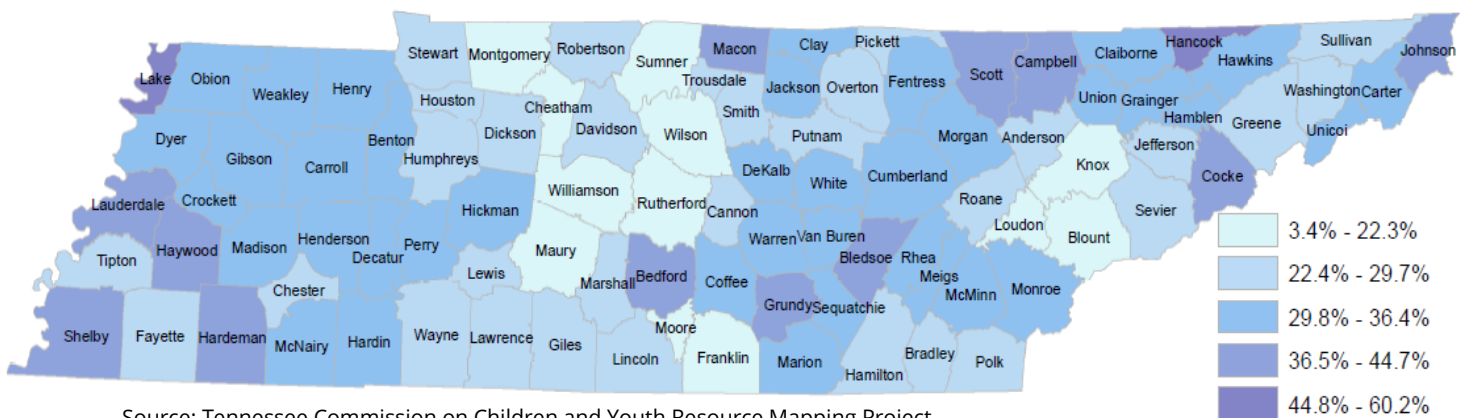
**Child Care Benefits
Percent of Children in Each County Receiving Benefits, FY 2017-18**



Department of Human Services: Supplemental Nutrition Assistance Program (SNAP)

SNAP (formerly known as food stamps) provides nutritional assistance benefits to children and families, the elderly, the disabled, unemployed and working families. SNAP helps supplement monthly food budgets of families with low-income to buy the food they need to maintain good health and allow them to direct more of their available income toward essential living expenses. DHS staff determines the eligibility of applicants based on guidelines established by the U.S. Department of Agriculture (USDA). The primary goals of the program are to alleviate hunger and malnutrition and to improve nutrition and health in eligible households. DHS has a dual focus on alleviating hunger and establishing or re-establishing self-sufficiency.

**Supplemental Nutrition Assistance Program (SNAP)
Percent of Children in Each County Receiving Benefits, FY 2017-18**

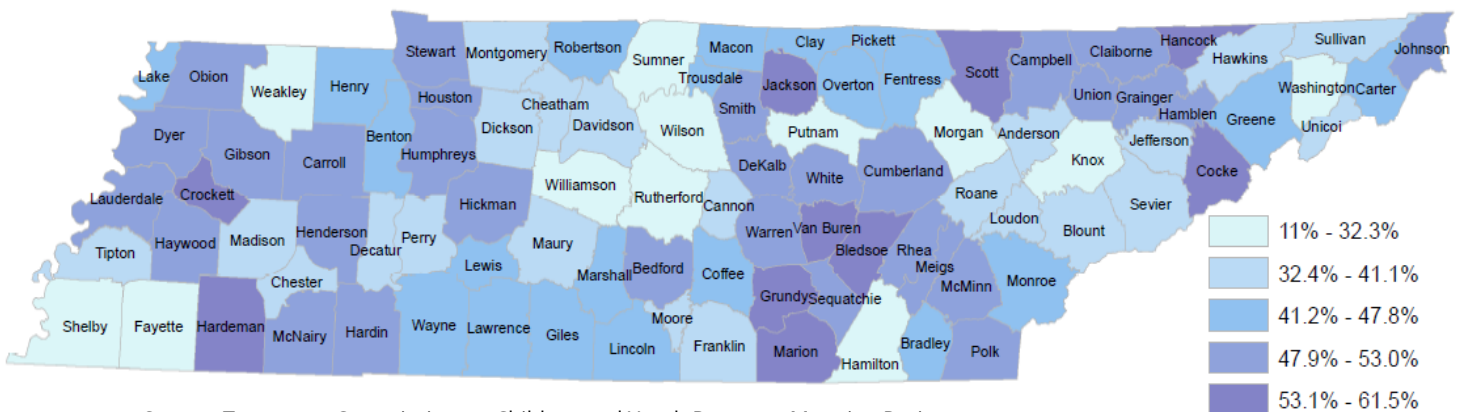


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Department of Education: School Nutrition Programs

School Breakfast and School Lunch are the most frequently used school nutrition programs, though schools also provide for children and families through the Seamless Summer Option, Fresh Fruits and Vegetables, Special Milk, and After School Snack Programs. The map below shows just School Lunch.

**School Nutrition Program: National School Lunch
Percent of Children Served, FY 2017-18**

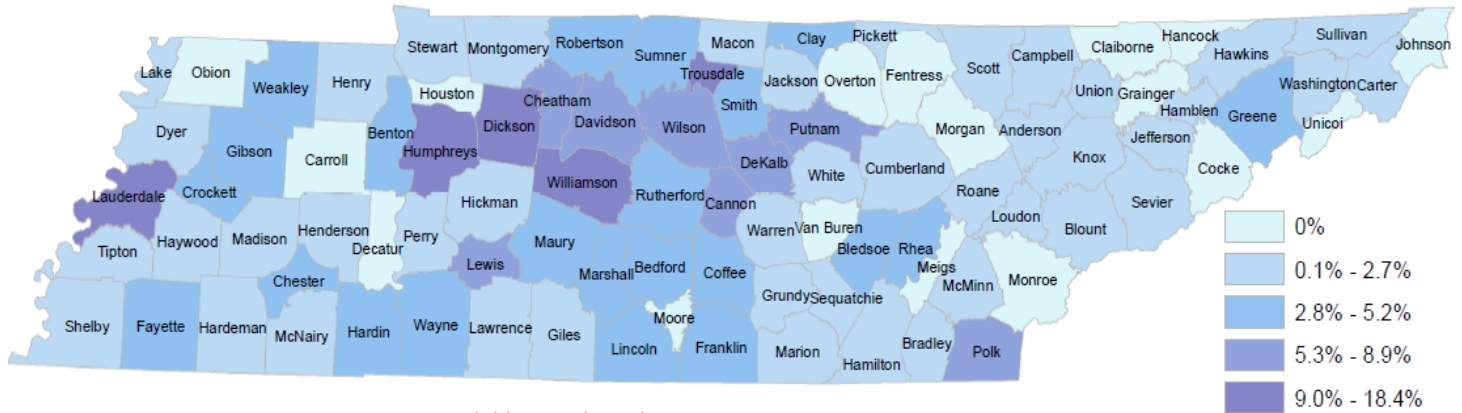


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Tennessee State Museum: Museum Visitations

The Public Programs Department of the Tennessee State Museum provides educational opportunities and historic interpretation through group- and self-guided tours of the State Museum, State Capitol and Military Museum. The new museum field trip experience is immersive, interactive, and hands-on. It is designed to enhance and reinforce the learning that is already happening in the classroom.

**Museum Visitations
Percent of Children Served, FY 2017-18**

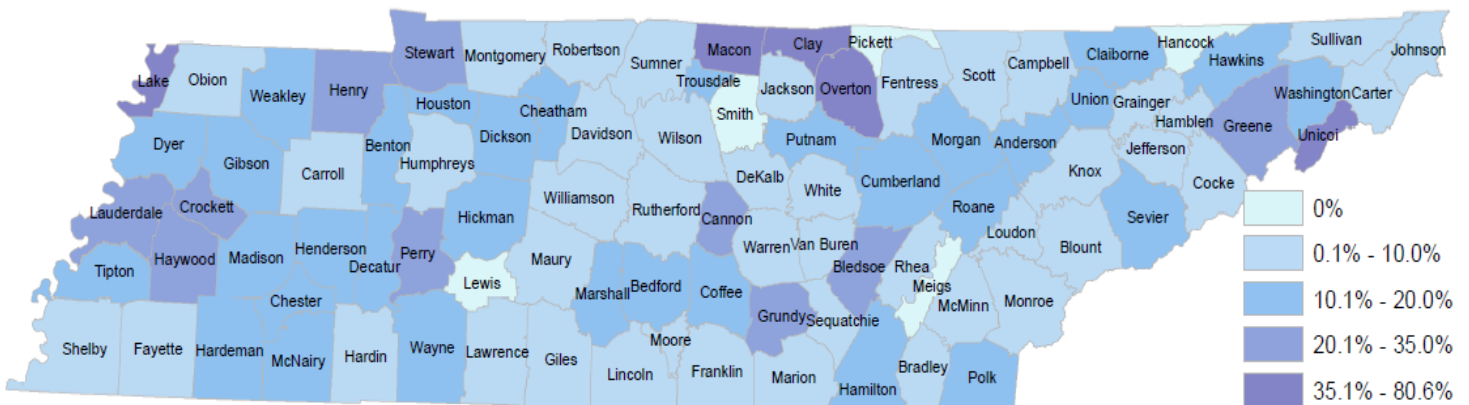


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Tennessee Arts Commission: Student Ticket Subsidy Program

The Student Ticket Subsidy (STS) grant program provides funds for artist fees, tickets and transportation for students from Tennessee public schools to experience a broad variety of cultural opportunities, arts disciplines, and artists. Activities include exposure-based arts performances, exhibits, or field trips. With just over \$600,000, this program served more than 100,000 Tennessee students in FY 2017-18.

**Student Ticket Subsidy Program
Percent of Children Served, FY 2017-18**

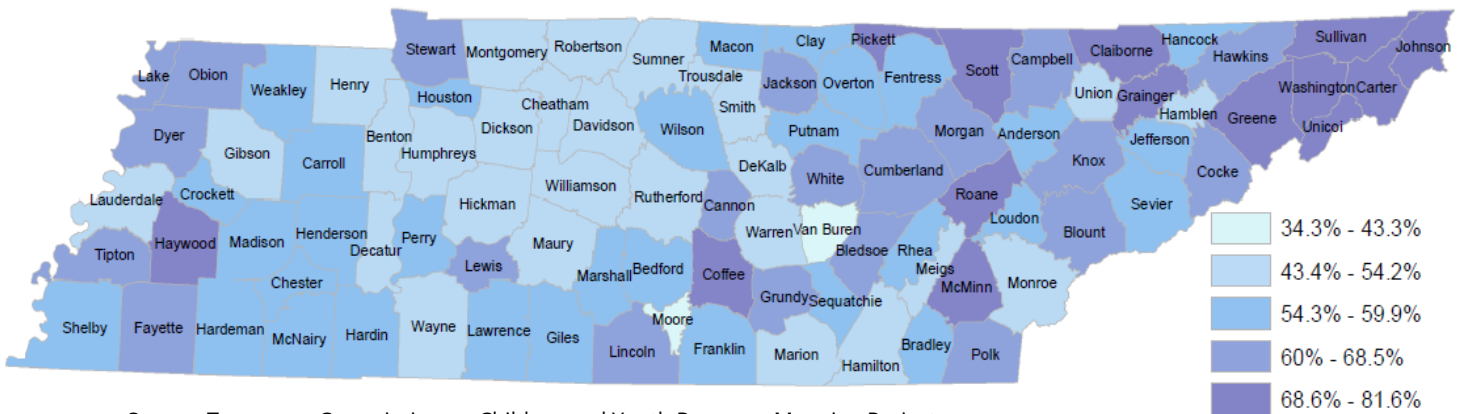


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Governor's Books from Birth Foundation: Tennessee's Imagination Library

The Governor's Books from Birth Foundation (GBBF) was created in 2004 to allow Dolly Parton's Imagination Library to be available to every child in the state of Tennessee. Children from birth to age five are eligible to receive books at no cost to families, regardless of income. With funding support from the Tennessee General Assembly, various foundations, individual donors, small businesses and a host of private corporate partners, the GBBF matches all funds raised by each Imagination Library program in Tennessee.

**Tennessee's Imagination Library
Percentage of Children Under 5 Receiving Books, FY 2017-18**

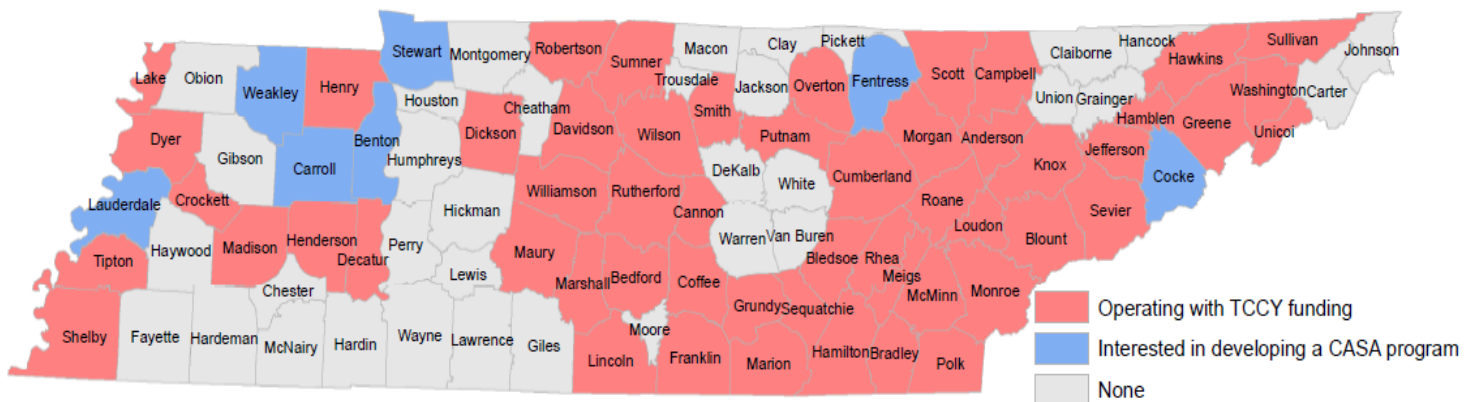


Source: Tennessee Commission on Children and Youth Resource Mapping Project

Commission on Children and Youth: Court Appointed Special Advocates

The Commission on Children and Youth administers state grants to counties to support Court Appointed Special Advocate (CASA) programs. Each CASA program or agency professionally trains and carefully screens volunteers to become advocates for abused and neglected children in juvenile court. These volunteers represent the best interests of the victimized child with the goal of securing a safe, permanent home.

**Court Appointed Special Advocates (CASA)
Counties with Active CASA Programs, FY 2017-18**



Source: Tennessee Commission on Children and Youth Resource Mapping Project

Duplication of Services

Perhaps there were expectations the resource mapping process would uncover duplication in the provision of services to children and families in Tennessee. State departments and agencies report the number of children receiving services for each type of expenditure. When these numbers are totaled, they report many millions more “children served” than there are children in Tennessee, because most Tennessee children receive services from multiple departments/agencies/funding streams.

According to the Annie E. Casey Foundation,¹⁴ 21 percent of all Tennessee children and 23 percent of the state’s children under age five live in poverty. Many children in poverty may be eligible for the following services, at a minimum:

- Temporary Assistance for Needy Families (TANF, called Families First in Tennessee);
- Supplemental Nutrition Assistance Program (SNAP, commonly known as Food Stamps);
- Women, Infants and Children (WIC) Supplemental Food Program for children under age six;
- Child Care Benefits;
- Pre-K at age four;
- Free- and Reduced-Price Breakfast and Lunch Programs for School Age Children;
- Medicaid/TennCare;
- Well Child [Early and Periodic Screening, Diagnosis and Treatment (EPSDT), Community Outreach, Call Center and Screenings];
- Immunizations;
- Dental Clinic Services.

When children enter school, they benefit from a wide array of educational services and funding streams. If they are from low income families, they may participate in free- and reduced-price lunch, free- and reduced-price breakfast, after school programs, and a variety of other federally funded services and supports to improve their opportunities for success in school. All children who attend public schools benefit from Department of Education and BEP funds, as well as from a variety of programs aimed at, among other things, universal prevention of risky behaviors, enhancing arts education, and promoting general health.

In general, the resources available for services for children in Tennessee beyond public education are so minimal, there is virtually no identifiable duplication. Responsibility for all children involved with the child welfare and juvenile justice system resting in a single department essentially eliminates opportunities for duplication of services for these vulnerable children and their families. Strategies are in place to transition children between funding streams when, for example, they enter state custody, or when their status otherwise changes and they move from one funding source to another. Even when multiple departments fund

¹⁴ Annie E. Casey Foundation. KIDSCOUNT Data Center. *Children in Poverty by Age Group*. <http://datacenter.kidscount.org/data/tables/5650-children-in-poverty-by-age-group?loc=44&loct=2#detailed/2/44/false/573,869,36,868,867/17,18,36/12263,12264>

relatively similar services, they are typically targeted at different groups of children or different issues/problems. Communication and collaboration across departments serving children contributes to partnerships rather than duplication.

Resource Mapping FY 2017-18 Inventory of Funds

The Resource Mapping Project is required in Tennessee Code Annotated 37-3-116(a)(5) to develop “An inventory of the funds for which the state may be eligible, but is currently not receiving or using, and the reasons why funds are not being received or used.” Tennessee relies heavily on federal funding for the provision of essential services and supports for Tennessee children and families. Excluding the BEP, of the total FY 2017-18 expenditures for children and families, 70 percent of funds spent were federal dollars.

Rejecting Medicaid Expansion Dollars

The glaring federal funding opportunity that Tennessee is missing is Medicaid expansion. The Affordable Care Act (ACA) provided for Medicaid expansion that was fully funded by the federal government from 2014 through 2016, and then reduced slowly to 90 percent in 2020, where it is scheduled to stay. This expansion would cover families without employer-based insurance whose incomes are at or below 138 percent of the federal poverty line. Estimates show that **Tennessee is currently forgoing \$8.2 million dollars a day¹⁵** in federal funds.

Implementation of an alternative to Medicaid expansion in Tennessee would provide substantial benefits. Insure Tennessee was projected to provide coverage for more than 280,000 uninsured Tennesseans, including over 24,000 veterans. It would benefit Tennessee hospitals, Tennessee businesses, the Tennessee economy and individuals who receive access to health insurance. The estimated impact on the Tennessee economy included:

- \$1.03 billion in new health care revenues;
- \$909 million in new income for residents of the state; and
- 15,000 full-time equivalent jobs.¹⁶

Furthermore, Tennessee businesses will have to pay millions of dollars in additional taxes as a result of the state rejecting these federal funds. A 2014 Jackson Hewitt study estimated Tennessee’s failure to expand Medicaid/TennCare may have cost employers in the state between \$48 million and \$72 million in 2016.¹⁷

¹⁵ <https://www.urban.org/sites/default/files/publication/22816/413192-What-is-the-Result-of-States-Not-Expanding-Medicaid-.PDF>

¹⁶ Fox, William. 2015. “Jobs, revenue and new income among benefits of Haslam plan.” *Chattanooga Times Free Press*. <http://www.timesfreepress.com/news/opinion/columns/story/2015/jan/18/who-benefits-under-insure-tennessee-plan/282967/>

¹⁷ Brian Haile and George Brandes. 2014. *State Medicaid Choices and the Hidden Tax Surprises for Employers*. Jackson Hewitt Tax Service. http://www.jacksonhewitt.com/uploadedFiles/JacksonHewitt2014com/Content/Resource_Center/Healthcare_and_Taxes/Resources/MedicaidChoices_TaxSurprises.pdf

After the General Assembly rejected then-Governor Haslam's Insure Tennessee plan, former House Speaker Beth Harwell looked for another way to allow uninsured Tennesseans to access the federal Medicaid funds that had been set aside to provide them health insurance. She created the 3-Star Healthy Task Force to seek a more market-based approach. The task force put together a pilot program that focused on uninsured veterans, behavioral health and substance abuse issues, some of the areas of greatest need in Tennessee. In the current political environment, there no longer seems to be any appetite to submit the pilot to the Center for Medicare and Medicaid services for approval.

Other Funding Opportunities

Most major ongoing federal grants/funding streams are capped entitlements or an allotted amount of funding. State departments take advantage of these entitlements and typically utilize virtually all federal funding allocated to Tennessee, sometimes in the face of challenges in meeting matching or maintenance of effort requirements. A detailed list of all reported federal funding sources by department/agency and expenditure amount is presented in Appendix C.

A small number of federal funding streams are uncapped entitlements, meaning the state can draw down as many federal dollars as it can match. The exact amount the state must match is based on a ratio relative to the funding source. The largest source of uncapped funding is Medicaid, with a match rate of 65 percent federal, 35 percent state in 2017-18. The other primary sources are Titles IV-B and IV-E child welfare funds. Matching rates are 75 percent federal, 25 percent state for Title IV-B and 65 percent federal, 35 percent state for Title IV-E. The Department of Children's Services has received approval for a Title IV-E waiver that enables the department to utilize these federal dollars not only for children who are in state custody, but also for services and supports to prevent custody. This approach better meets the needs of children and families at lower costs for the state.

The Supplemental Nutrition Assistance Program (SNAP, commonly known as Food Stamps) has a 50-50 federal-state matching rate for administrative funds, but Food Stamps are 100 percent federally funded and do not have a cap on the amount available to the state. Tennessee has done an excellent job with SNAP outreach and has been recognized nationally for the proportion of the eligible population actually receiving this assistance.

A substantial number of competitive federal funding announcements are released on an ongoing basis. These announcements are reviewed by staff at the TCCY and throughout state departments to identify appropriate opportunities to apply for funding. Particular emphasis is placed on funding closely coinciding with department/agency missions and priorities and funding that continues for multiple years. Departments also report only applying for federal funds where they are able to be competitive and easily build upon existing infrastructure.

However, a number of constraints still inhibit the state's application for competitive federal funding opportunities, as well as for foundation and other private funding. State departments/agencies were asked in previous years to complete a survey indicating problems they have experienced and/or anticipated in relation to applications for federal funding. Over

time, there has been very little change in the reasons for not applying for federal dollars. The primary reason cited is the length of time it takes to get approval for grants from the General Assembly. The following are problems actually experienced that are deterrents to applying for funding:

- Duration of the grant is insufficient to justify time required to complete the application process.
- Department/agency does not have state funding to meet matching requirements.
- Department/agency does not have sufficient staff expertise to prepare the grant application.
- Department/agency does not have sufficient staff time to prepare the grant application.
- Award amounts are insufficient to justify the time required to complete the application process.
- The deadline for the submission of proposal is too short for proper planning.
- Existing infrastructure (excluding staff positions) could not support the new program and grant funds would not cover cost of creating new infrastructure.
- Existing staff could not support program and grant funds would not cover cost of additional staff.
- The grant would allow staff to be hired, but the department is unable to add additional positions or is concerned about the ability to add additional positions.
- Inability to recruit and hire staff to meet grant requirements due to non-competitive salaries in some job classifications.
- Time and challenges involved in getting approval to spend additional funding through the state process are a deterrent to pursuing funding.

A timely/expedited approval process for authorization to spend grant dollars is needed. Delays in General Assembly approval for federal, foundation or other funding are a substantial deterrent to applying for such funding, even when it would be very beneficial for Tennessee, and especially when programs must be implemented and/or funds must be expended in a short timeframe.

Appendix A

TCA 37-3-116

TCA 37-3-116. Resource mapping of funding sources

(a) The commission shall design and oversee a resource mapping of all federal and state funding sources and funding streams that support the health, safety, permanence, growth, development and education of children in this state from conception through the age of majority or so long as they may remain in the custody of the state. The resource mapping shall include, but not be limited to:

(1) An inventory of all federal and state funding sources that support children in this state;

(2) An inventory of all state, federal or government subsidized services and programs offered to children in this state, set out by program, target population, geographical region, agency or any other grouping that would assist the general assembly in determining whether there are overlapping programs that lead to duplication within the state, gaps in service delivery and any administrative inefficiencies generally;

(3) A description of the manner in which the funds are being used within the agencies or organizations, the performance measures in place to assess the use of such funding and the intended outcomes of the programs and services;

(4) Government mandates for the use of the funds, if any; and

(5) An inventory of the funds for which the state may be eligible, but is currently not receiving or using, and the reasons why the funds are not being used.

(b) The commission shall update the report each year and shall subsequently assure that the resource map is periodically and timely updated, so as to maintain a current resource map of the funds used to support children in the state.

(c) The comptroller of the treasury and each department of state government or agency in this state shall provide assistance upon request to the commission in effectuating the purpose of this section.

(d) On or before February 15, 2009, a preliminary report shall be provided by the commission; and on or before April 15, 2010, and each successive year thereafter, the commission shall provide a full report to the judiciary committees of the senate and the house of representatives, the general welfare, health and human resources committee of the senate, the education committees of the senate and the house of representatives, the health and human resources committee of the house of representatives, the children and family affairs committee of the house of representatives and the select committee on children and youth. The full report shall include, but not be limited to, the resource map and any recommendations, including proposed legislation, for improving the efficiency and effectiveness of programs offered to children in this state.

[Acts 2008, ch. 1197, § 1; 2009, ch. 344, § 1.]

Appendix B

Primary Outcome Expenditures

Safe FY 2017-18 Expenditures

Department/Agency	State	Federal	Other	Total
Department of Children's Services	\$144,645,333	\$109,478,574	\$13,000	\$254,136,907
Department of Correction	\$136,500	\$0	\$0	\$136,500
Department of Education	\$7,908,138	\$0	\$0	\$7,908,138
Department of Health	\$144,770	\$50,912	\$0	\$195,682
Department of Human Services	\$0	\$19,366,500	\$0	\$19,366,500
Department of Mental Health and Substance Abuse Services	\$21,786,574	\$1,470,977	\$0	\$23,257,551
Department of Safety	\$97,577	\$0	\$0	\$97,577
Department of Transportation	\$0	\$2,123,354	\$0	\$2,123,354
Office of Criminal Justice Programs	\$625,656	\$4,057,795	\$998,197	\$5,681,648
Tennessee Commission on Children and Youth	\$113,687	\$50,000	\$0	\$163,687
Tennessee Wildlife Resources Agency	\$0	\$200,000	\$0	\$200,000
Total	\$175,458,235	\$136,798,112	\$1,011,197	\$313,267,544

Healthy FY 2017-18 Expenditures

Department/Agency	State	Federal	Other	Total
CoverKids	\$1,761,500	\$161,338,700	\$5,805,100	\$168,905,300
Department of Children's Services	\$12,421,336	\$27,387,390	\$0	\$39,808,726
Department of Education	\$18,658,813	\$406,430,874	\$0	\$425,089,687
Department of Health	\$41,173,777	\$145,473,501	\$53,146,253	\$239,793,531
Department of Mental Health and Substance Abuse Svcs	\$4,234,400	\$13,129,136	\$0	\$17,363,536
TennCare	\$591,689,900	\$1,128,588,900	\$244,377,900	\$1,964,656,700
Tennessee Commission on Children and Youth	\$0	\$190,812	\$0	\$190,812
Total	\$660,652,297	\$1,858,178,690	\$336,977,305	\$2,855,808,292

Engaged FY 2017-18 Expenditures

Department/Agency	State	Federal	Other	Total
Administrative Office of the Courts	\$112,000	\$0	\$0	\$112,000
Department of Environment and Conservation	\$210,000	\$0	\$0	\$210,000
Department of Labor and Workforce Development	\$0	\$16,097,204	\$0	\$16,097,204
Department of Mental Health and Substance Abuse Services	\$4,757,929	\$287,018	\$141,047	\$5,185,994
Department of Military	\$0	\$156,000	\$0	\$156,000
Tennessee Arts Commission	\$37,000	\$0	\$0	\$37,000
UT Institute of Agriculture	\$10,000,000	\$0	\$0	\$10,000,000
Total	\$15,116,929	\$16,540,222	\$141,047	\$31,798,198

Educated FY 2017-18 Expenditures

Department/Agency	State	Federal	Other	Total
CoverKids	\$233,900	\$21,419,200	\$0	\$21,653,100
Department of Agriculture	\$55,000	\$0	\$200,000	\$255,000
Department of Children's Services	\$685,374	\$529,784	\$0	\$1,215,158
Department of Correction	\$135,800	\$0	\$0	\$135,800
Department of Economic and Community Development	\$1,000,000	\$0	\$0	\$1,000,000
Department of Education	\$138,147,885	\$665,035,396	\$438,280	\$803,621,561
Department of Education : BEP	\$4,568,355,000	\$0	\$0	\$4,568,355,000
Department of Health	\$626,687	\$1,841,777	\$0	\$2,468,464
Department of Labor and Workforce Development	\$0	\$461,633	\$75,641	\$537,274
Department of Mental Health and Substance Abuse Svcs	\$761,168	\$845,735	\$0	\$1,606,903
Department of Military	\$965,787	\$2,905,561	\$0	\$3,871,348
Department of Safety	\$507,445	\$0	\$0	\$507,445
Department of Transportation	\$0	\$578,001	\$120,000	\$698,001
Governor's Books from Birth Foundation	\$3,924,800	\$50,000	\$0	\$3,974,800
Tennessee Arts Commission	\$846,123	\$60,200	\$0	\$906,323
Tennessee Commission on Children and Youth	\$779,232	\$320,021	\$100,000	\$1,199,253
Tennessee Higher Education Commission	\$25,559,835	\$4,247,320	\$0	\$29,807,155
Tennessee State Museum	\$857,639	\$0	\$0	\$857,639
Volunteer TN	\$0	\$2,121,892	\$0	\$2,121,892
Total	\$4,743,441,675	\$700,416,520	\$933,921	\$5,444,792,117

Nurtured and Supported FY 2017-18 Expenditures

Department/Agency	State	Federal	Other	Total
Administrative Office of the Courts	\$11,820,263	\$799,598	\$0	\$12,619,861
Commission on Aging and Disability	\$0	\$60,000	\$0	\$60,000
Department of Children's Services	\$195,779,522	\$94,838,873	\$1,151,690	\$291,770,085
Department of Education	\$3,120,777	\$2,373,818	\$0	\$5,494,595
Department of Human Services	\$104,021,930	\$963,196,656	\$0	\$1,067,218,586
Department of Intellectual and Dev Disabilities	\$3,493,964	\$0	\$0	\$3,493,964
Department of Mental Health and Subst. Abuse Svcs	\$1,045,625	\$3,348,867	\$0	\$4,394,492
Governor's Children's Cabinet	\$136,856	\$48,712	\$0	\$185,568
Tennessee Commission on Children and Youth	\$3,213,699	\$378,243	\$47,326	\$3,639,268
Tennessee Council on Developmental Disabilities	\$0	\$1,869	\$0	\$1,869
Tennessee Housing Development Agency	\$0	\$0	\$225,251	\$225,251
Total	\$292,629,735	\$1,065,046,636	\$31,427,167	\$1,389,103,539

Appendix C

Federal Expenditures by State Agency and Federal Funding Source

Federal Funding Source

FY 15-16

FY 16-17

FY 17-18

Administrative Office of the Courts			
Juvenile Justice and Delinquency Prevention Act: Federal Formula Grant	\$25,000	\$44,231	\$30,355
Public Health and Welfare Act: State Justice Institute Act of 1984	\$0	\$41,000	\$0
Social Security Act	\$3,041,845	\$2,299,646	\$569,465
HHS Access and Visitation Mandatory Grants	\$0	\$0	\$199,778
Subtotal	\$3,066,845	\$2,384,877	\$799,598
Commission on Aging and Disability			
Older Americans Act, Title III-E: National Family Caregiver Support	\$56,417	\$81,591	\$60,000
Subtotal	\$56,417	\$81,591	\$60,000
CoverKids			
Social Security Act, Title XXI - SCHIP	\$145,471,338	\$170,729,998	\$182,757,900
Subtotal	\$145,471,338	\$170,729,998	\$182,757,900
Department of Children's Services			
Carl D. Perkins Career & Tech. Education Act of 1998/2006	\$39,300	\$10,616	\$2,031
Child Abuse Prevention and Treatment Act	\$1,264,400	\$1,261,685	\$1,749,744
Children's Justice Act	\$103,200	\$23,474	\$0
ESSA, Title I-A: Improving Academic Achievement of the Disadvantaged	\$231,800	\$178,100	\$6,743
ESEA, Title II-A: High Quality Teachers and Principals	\$16,400	\$0	\$0
ESSA, Title I-D, Subpart 2: Youth Transition Services	\$0	\$0	\$87,694
IDEA, Part B: School Age Special Education	\$589,500	\$660,200	\$658,112
National School Lunch Program, USDA 7, CFR 210 and 220	\$344,000	\$297,672	\$44,364
Prison Rape Elimination Act	\$37,200	\$0	\$0
Social Security Act	\$0	\$0	\$1,045,248
Social Security Act, Title IV-B, Part 1: Stephanie Tubbs Jones Child Welfare Services	\$3,347,200	\$6,402,727	\$6,173,854
Social Security Act, Title IV-B, Part 2: Promoting Safe and Stable Families	\$7,087,200	\$8,927,685	\$7,107,732
Social Security Act, Title IV-E: Foster Care and Adoption Assistance	\$93,060,400	\$102,812,533	\$60,836,145
Social Security Act, Title IV-E, Sec. 477: Chafee Foster Care Independence	\$2,531,900	\$2,599,900	\$1,835,357
Social Security Act, Title XIX, Medicaid	\$196,667,200	\$157,479,606	\$140,896,926
Social Security Act, Title XX-A: Social Services Block Grants	\$13,956,800	\$16,825,713	\$11,790,671
Subtotal	\$319,276,500	\$297,479,911	\$232,234,621
Department of Human Services			
Child Care Development Block Grant	\$77,121,520	\$96,045,765	\$94,197,300
Child Nutrition Act	\$2,036,476	\$1,595,451	\$1,793,100
Food and Nutrition Act	\$772,767,718	\$739,638,830	\$684,651,200
National School Lunch Program: Child and Adult Care Food Program	\$72,823,811	\$70,212,959	\$70,034,900
National School Lunch Program: Commodity Distribution	\$381,201	\$0	\$0
National School Lunch Program: Summer Food	\$10,235,255	\$12,493,034	\$10,597,600
Social Security Act, Title IV-A: Temporary Assistance for Needy Families (TANF)	\$76,371,895	\$69,827,448	\$68,887,000
Social Security Act, Title IV-D of the SSA: Child Support Enforcement	\$42,995,606	\$45,486,227	\$52,402,056
Subtotal	\$1,054,733,482	\$1,035,299,714	\$982,563,156
Department of Economic and Community Development			
Housing and Community Development Act Block Grant	\$0	\$12,500	\$0
Subtotal	\$0	\$12,500	\$0

Federal Funding Source

FY 15-16

FY 16-17

FY 17-18

Department of Labor and Workforce Development			
Workforce Innovation and Opportunity Act	\$15,695,645	\$13,278,018	\$16,097,204
Food and Nutrition Act	\$0	\$0	\$461,633
Subtotal	\$15,695,645	\$13,278,018	\$16,558,837
Department of Education			
Carl D. Perkins Career & Tech. Education Act of 1998/2006	\$13,659,929	\$22,236,838	\$19,175,727
ESSA, Title I-A: Improving Academic Achievement of the Disadvantaged	\$281,465,565	\$299,883,293	\$298,618,467
ESSA, Title I-A, Section 1003(g): School Improvement Grants	\$19,341,585	\$9,492,760	\$11,969,013
ESSA, Title I-D, part 1: Neglected, Delinquent, At-Risk	\$1,011,597	\$1,146,784	\$1,088,900
ESEA, Title I-G: Advanced Placement	\$281,028	\$369,810	\$0
ESSA, Title II-A: Supporting Effective Instruction	\$37,799,951	\$37,772,828	\$36,095,058
ESEA, Title II-B: Math and Science Partnership	\$3,697,412	\$3,371,248	\$3,371,248
ESSA, Title III-A: English Language Acquisition	\$5,120,097	\$6,638,064	\$5,676,011
ESSA, Title IV: 21st Century Community Learning Centers	\$24,798,690	\$24,089,528	\$20,699,334
ESSA, Title V: State Innovation and Local Flexibility	\$0	\$0	\$3,799,992
ESSA, Title V-B: Rural Education Initiative	\$4,609,566	\$4,625,667	\$200,000
ESSA, Title IX-A: McKinney-Vento Homeless Education	\$1,274,112	\$3,519,601	\$1,410,301
IDEA, Part B: School Age Special Education	\$228,376,139	\$242,625,145	\$236,298,997
IDEA, Part B, Sec. 619: Preschool Special Education	\$6,518,982	\$6,015,311	\$6,708,462
IDEA, Part C: Infant and Toddler Special Education	\$8,027,170	\$9,036,419	\$12,415,852
Improving Head Start for School Readiness Act	\$175,000	\$175,000	\$175,000
Institute of Education Sciences Statewide, Longitudinal Data Systems Grant	\$66,548	\$393,753	\$760,297
National School Lunch Program, USDA 7, CFR 210 and 220	\$403,885,980	\$408,540,458	\$406,430,874
US Department of Education	\$164,265	\$346,996	\$356,623
Subtotal	\$1,040,273,616	\$1,080,279,502	\$1,073,840,088
Department of Mental Health and Substance Abuse Services			
US Department of Justice	\$19,176	\$0	\$0
US Department of Health and Human Services	\$13,382	\$23,640	\$0
Substance Abuse and Mental Health Service Administration	\$6,444,178	\$5,808,998	\$1,933,616
Mental Health Block Grant	\$5,641,870	\$5,434,645	\$9,576,460
Substance Abuse Prevention and Treatment Block Grant	\$7,333,191	\$8,672,450	\$7,571,657
National Association of State Mental Health Program Directors	\$106,301	\$122,701	\$0
Juvenile Justice and Delinquency Prevention Act: EUDL	\$37,121	\$0	\$0
Subtotal	\$19,595,219	\$20,062,434	\$19,081,733
Office of Criminal Justice Programs			
Victims of Crime Act (VOCA)	\$4,971,515	\$9,527,790	\$3,835,268
Violence Against Women Act	\$0	\$0	\$31,131
HHS Administration for Children and Families Grant	\$0	\$0	\$191,396
Subtotal	\$6,846,559	\$9,527,790	\$4,057,795
Department of Transportation			
National Highway Traffic Safety Administration	\$1,832,618	\$982,305	\$578,001
Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users	\$0	\$2,000,000	\$2,123,354
Subtotal	\$1,832,618	\$2,982,305	\$2,701,355

Federal Funding Source

FY 15-16

FY 16-17

FY 17-18

Department of Health			
Patient Protection and Affordable Care Act, Title II: Abstinence Education	\$0	\$0	\$1,841,777
Child Nutrition Act: WIC	\$109,393,341	\$112,912,933	\$101,756,640
Public Health Service Act: Ebola Preparedness Program	\$216,672	\$0	\$0
Public Health Service Act: Bioterrorism Hospital Preparedness Program	\$2,556,351	\$3,118,589	\$2,525,772
Public Health Service Act: Childhood Lead Poisoning Grant	\$0	\$219,887	\$423,234
Public Health Service Act: Core State Violence and Injury Prevention Program	\$90,871	\$55,000	\$50,000
Public Health Service Act: Family Planning Grant	\$811,747	\$2,475,023	\$2,381,428
Public Health Service Act: HIV Core Surveillance	\$1,458,567	\$881,941	\$503,167
Public Health Service Act: Immunizations And Vaccines For Children	\$1,515,875	\$2,519,572	\$2,472,652
Public Health Service Act: Newborn Hearing Screening	\$229,828	\$261,488	\$355,565
Public Health Service Act: Preventive Health and Health Services Block Grant	\$408,912	\$996,485	\$357,289
Public Health Service Act: Primary Care	\$10,773,768	\$460,527	\$1,661,245
Public Health Service Act: Public Health Emergencies	\$863,146	\$0	\$0
Public Health Service Act: Rape Prevention Education	\$461,947	\$285,222	\$62,154
Public Health Service Act: Ryan White	\$26,000	\$227,731	\$135,711
Public Health Service Act: Sexually Transmitted Disease Prevention	\$570,217	\$420,600	\$586,859
Public Health Service Act: Tobacco Control	\$256,752	\$430,417	\$485,916
Public Health Service Act: Traumatic Brain Injury	\$9,976	\$81,165	\$0
Public Health Service Act: Tuberculosis Control	\$222,535	\$381,514	\$258,871
Public Health Service Act: Hospital Emergency Preparedness Program	\$0	\$0	\$931,346
Social Security Act, Title V: Maternal and Child Health	\$8,582,392	\$7,857,229	\$4,150,233
Social Security Act, Title XIX, Medicaid	\$6,824,119	\$14,542,326	\$26,426,331
Subtotal	\$145,273,016	\$148,127,649	\$147,366,190
Department of Military			
National Guard Bureau	Did Not Report	Did Not Report	\$2,905,561
National Guard Bureau: Family program	Did Not Report	Did Not Report	\$156,000
Subtotal	Did Not Report	Did Not Report	\$3,061,561
Governor's Books From Birth Foundation			
Appalachian Regional Commission Grant	\$100,000	\$100,000	\$50,000
Subtotal	\$100,000	\$100,000	\$50,000
Governor's Children's Cabinet for kidcentraltn.com			
Child Care and Development Block Grant	\$41,660	\$41,660	\$12,178
Elementary and Secondary Education Act, Title IV: 21st CCLC	\$3,300	\$3,300	\$0
IDEA, Part B: School Age Special Education	\$15,000	\$15,000	\$6,089
Social Security Act, Title V: Maternal and Child Health	\$41,660	\$44,035	\$12,178
Social Security Act, Title XIX, Medicaid	\$20,830	\$20,830	\$6,089
Substance Abuse and Mental Health Service Admin	\$41,660	\$41,660	\$12,178
Subtotal	\$164,110	\$166,545	\$48,712
TennCare			
Social Security Act, Title XIX: Medicaid	\$1,150,545,815	\$1,032,607,215	\$1,128,588,900
Subtotal	\$1,150,545,815	\$1,032,607,215	\$1,128,588,900

Federal Funding Source

FY 15-16

FY 16-17

FY 17-18

Tennessee Higher Education Commission			
Higher Education Act: Early Intervention and College Awareness Grant	\$4,501,361	\$4,589,416	\$4,247,320
Subtotal	\$4,501,361	\$4,589,416	\$4,247,320
Tennessee Arts Commission			
National Endowment for the Arts	\$60,200	\$60,500	\$60,200
Subtotal	\$60,200	\$60,500	\$60,200
Tennessee Commission on Children and Youth			
Child Care and Development Block Grant	\$0	\$0	\$29,482
IDEA, Part B: School Age Special Education	\$0	\$0	\$14,741
Juvenile Justice and Delinquency Prevention Act: EUDL	\$2,146	\$0	\$0
Juvenile Justice and Delinquency Prevention Act: Federal Formula Grant	\$672,173	\$851,496	\$413,173
Juvenile Justice and Delinquency Prevention Act: JABG	\$121,547	\$20,465	\$21,774
Social Security Act, Title XIX: Medicaid	\$0	\$0	\$14,741
SAMHSA: Interdepartmental from MHSAS	\$45,208	\$43,591	\$298,770
Social Security Act, Title V: Maternal and Child Health	\$78,333	\$138,420	\$146,395
Subtotal	\$919,406	\$1,053,972	\$939,076
Tennessee Wildlife Resources Agency			
Pittman-Robertson Act of 1937	\$200,000	\$60,000	\$200,000
Subtotal	\$200,000	\$60,000	\$200,000
Tennessee Council on Developmental Disabilities			
Developmental Disabilities Assistance and bill of rights Act of 2000	Did Not Report	Did Not Report	\$1,869
Subtotal	Did Not Report	Did Not Report	\$1,869
Volunteer TN			
Corp. for National and Community Service - AmeriCorps	\$1,756,323	\$2,019,638	\$2,121,892
Subtotal	\$1,756,323	\$2,019,638	\$2,121,892
Total	\$3,912,859,690	\$3,820,903,575	\$3,801,340,804

Source: Tennessee Commission and Youth Resource Mapping Project