Part C Implementation: State Challenges and Responses
This is the fourth year that the ITCA has surveyed its members regarding state responses to Part C implementation issues and challenges. The Association utilizes this information to track emerging issues and state responses related to eligibility, finance and state decisions regarding continued participation in Part C. ITCA and its members also makes this information available to the Administration, to the Congress, to our early learning partners and to state and local elected officials.

This survey was distributed to ITCA members in September of 2010. Forty-eight states and two jurisdictions (hereafter referred to as states) completed the survey. Not every question was answered by every respondent. As with all ITCA surveys, the data are reported by frequency as well as by type of Lead Agency and state eligibility criteria. The charts in the report reflect the responses of those states who answered the questions. The “no responses” are excluded from the charts. ITCA draws no conclusions from the data analysis but simply reports the data. The tables were produced in SPSS. All information is aggregated and the individual state responses are confidential.

Summary of State Responses

The following questions were asked and the responses are summarized below:

1. **Which statement describes the status of your continuing participation in Part C beginning July 2011?**

   Of the forty-eight states that responded to this question:

   - 39 indicated that there were no discussions related to dropping out of Part C;
   - 8 indicated that the state has begun to have discussions about not continuing to participate in Part C; and
   - 1 state indicated that serious discussions were being conducted regarding continued participation.
2. **Will your state be able to continue participation in Part C through June 30, 2011?**
   Of the forty-seven states that responded to this question, all indicated that they would be able to continue participation.

3. **Which statement describes the status of eligibility in your state for the last three years? Check only one response.**
   Of the forty-three states that responded to this question:
   - 27 states indicated they have made no changes in eligibility criteria and have no plans to make any changes;
   - 6 states have made eligibility criteria more restrictive;
   - 2 states have expanded eligibility criteria; and
   - 8 states are changing criteria in the 2010-2011 fiscal year:
     i. 7 states planning to narrow eligibility; and
     ii. 1 state is planning to broaden eligibility.

4. **What is the average number of planned hours of direct service (excluding service coordination and evaluation/assessment) per child per month?**
   Twenty-four states were able to answer this question. The number of planned service hours per month ranged from 2 hours to 30 hours with a median of 7.24 hours.

5. **What is the average number of delivered hours of direct service (excluding service coordination and evaluation/assessment) per child per month?**
   Twenty-four states were able to answer this question. The number of delivered service hours per month ranged from 2 hours to 30 hours with a median of 5.72 hours.

6. **Which statement describes the status of your state funding for Part C for 2010-2011 (not including ARRA funds).**
   Of the forty-six states that responded to this question:
   - 9 states had their state funding increased;
   - 14 states had their state funding decreased;
   - 20 states had their state funding remain the same; and
• 3 states indicated that their state budget was not finalized.

7. **Do you anticipate running out of funds to maintain services at some point this year?**

Of the forty-eight states that responded to the question:
• 5 states indicated they would run out of funds this year;
• 40 states indicated they had sufficient funds to complete the year; and
• 3 states were unsure whether they would run out of funds.

8. **What forms of family cost participation are in effect for your state?**

Of the forty-eight states that responded to the question:
• 13 states use private insurance only;
• 2 state uses family fees only;
• 16 states use both private insurance and family fees; and
• 17 states do not have family cost participation.

9. **What is the current status of family fees in your state? Check only one response.**

Of the thirty-nine states that responded to this question:
• 10 states indicated they have not changed their fee structure in the last three years and have no plans to do so;
• 5 states have increased family fees;
• 1 state will increase family fees this year;
• 3 states are implementing family fees for the first time; and
• 20 states indicated they do not have family fees and do not plan to implement fees.

10. **What is the status of the use of private insurance? Check all that apply.**

Of the forty-five states that responded to this question:
• 31 states access private insurance with permission of the family;
• 7 states have policies that require families to use their insurance;
• 9 states do not access private insurance;
• 11 states have state legislation related to the use of private insurance; and
• 4 states have regulations that address the use of private insurance.
11. What is the status of provider reimbursement in your state?

Of the forty-one states that responded to this question:

- 10 states decreased provider reimbursement rates and 2 additional states indicate they will decrease provider rates in the next 12 months;
- 5 states increased provider reimbursement rates and 1 additional state indicated it will increase provider rates in the next 12 months; and
- 23 states indicated rates remained the same.

12. How are you using your ARRA funding?

Of the forty-six states that responded to this question:

- 33 states are using funds for direct services;
- 34 states are using funds for training of personnel;
- 25 states are developing web-based modules;
- 13 states are using funds for recruitment and retention of personnel;
- 2 states are conducting utilization reviews;
- 5 states are conducting cost/rate studies;
- 12 states are developing practice guidelines;
- 18 states are translating and printing materials;
- 9 states are funding family support activities;
- 28 states are using funds for data systems;
- 8 states are using funds to enhance their monitoring systems;
- 11 states are using funds for child/family outcomes activities;
- 4 states are using funds to support policies/procedures/ regulations development; and
- 15 states are funding regional/local system enhancement grants.

13. If you are using ARRA funds for direct services, why?

Of the thirty-three states that responded to this question:

- 15 states are using the funds to support growth in child count;
- 7 states are using the funds to replace cuts in state funding; and
- 11 states are using funds to support growth and to replace cuts.
14. What percentage of your ARRA funds is being spent on direct services?

Of the thirty-two states that responded to this question:

- 2 states are spending 1-10%;
- 4 states are spending 11-25%;
- 4 states are spending 26-50%;
- 8 states are spending 51-75%;
- 7 states are spending 76-99%; and
- 7 states are spending 100% of their ARRA funding on direct services.

In the following pages, the demographics of the states that responded to the survey and the responses to each question in frequency as well as analysis by regional configuration, type of lead agency and OSEP established eligibility criteria are presented.

**Demographics of States responding to the survey**

<table>
<thead>
<tr>
<th>Alaska</th>
<th>Idaho</th>
<th>Missouri</th>
<th>Rhode Island</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Samoa</td>
<td>Illinois</td>
<td>Nebraska</td>
<td>South Carolina</td>
</tr>
<tr>
<td>Arizona</td>
<td>Indiana</td>
<td>Nevada</td>
<td>South Dakota</td>
</tr>
<tr>
<td>Arkansas</td>
<td>Iowa</td>
<td>New Hampshire</td>
<td>Tennessee</td>
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<td>California</td>
<td>Kansas</td>
<td>New Jersey</td>
<td>Texas</td>
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<td>New Mexico</td>
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<td>Connecticut</td>
<td>Louisiana</td>
<td>New York</td>
<td>Vermont</td>
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<tr>
<td>Delaware</td>
<td>Maine</td>
<td>North Carolina</td>
<td>Virginia</td>
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<tr>
<td>District of Columbia</td>
<td>Maryland</td>
<td>North Dakota</td>
<td>Washington</td>
</tr>
<tr>
<td>Florida</td>
<td>Massachusetts</td>
<td>Oklahoma</td>
<td>West Virginia</td>
</tr>
<tr>
<td>Georgia</td>
<td>Michigan</td>
<td>Oregon</td>
<td>Wisconsin</td>
</tr>
<tr>
<td>Hawaii</td>
<td>Mississippi</td>
<td>Pennsylvania</td>
<td>Wyoming</td>
</tr>
</tbody>
</table>
States with “Other State Agencies/Co-Lead Agencies” as the Lead Agency had a 100% response rate. Health Lead Agencies had an 83% response rate and Education Lead Agencies had a 71% response rate.

States self-identified their status for OSEP eligibility category and lead agency. While OSEP has stopped categorizing states because of the changes that states are making to their criteria on an ongoing basis, ITCA members have requested that eligibility continue to be one of the components of analysis. This will be the final report that the OSEP categories of Broad, Moderate and Narrow are utilized. The ITCA Data Committee has completed the criteria for eligibility categories and states will self select their eligibility criteria in the future. The charts on the following page reflect the states’ identified eligibility criteria.
### OSEP Eligibility

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Broad</td>
<td>17</td>
<td>35.4</td>
<td>35.4</td>
<td>35.4</td>
</tr>
<tr>
<td>Moderate</td>
<td>14</td>
<td>29.2</td>
<td>29.2</td>
<td>64.6</td>
</tr>
<tr>
<td>Narrow</td>
<td>17</td>
<td>35.4</td>
<td>35.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

### Survey Respondents by Eligibility

![Survey Respondents by Eligibility Chart]

- **Respondents**: 17, 14, 17
- **Total**: 21, 18, 17

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**Legend**:
- Blue: Respondents
- Red: Total
Survey Questions

1. Which statement describes the status of your continuing participation in Part C beginning July 2011?

All forty-eight states responded to this question. Thirty-nine states (81.3%) responded that there were no discussions related to dropping out of Part C. Eight states (16.7%) indicated that they have begun to have discussions and one state indicated that serious discussion have been initiated regarding dropping out of Part C.

<table>
<thead>
<tr>
<th>Participation Status</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid No discussions</td>
<td>39</td>
<td>81.3</td>
<td>81.3</td>
<td>81.3</td>
</tr>
<tr>
<td>Some discussions</td>
<td>8</td>
<td>16.7</td>
<td>16.7</td>
<td>97.9</td>
</tr>
<tr>
<td>Serious discussions</td>
<td>1</td>
<td>2.1</td>
<td>2.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Six states (33.3%) with “Other State Agency” as the lead responded that some discussions were occurring related to continued participation. The only state that indicated serious discussions were occurring was a Health Lead Agency.
Seventeen percent of states with Broad or Moderate eligibility indicated that were having some discussions related to continued participation. States with narrow eligibility were slightly higher at 21%.

2. **Will your state be able to continue to participation in Part C through June 30, 2011?**

All 47 states that responded to this question indicated they would be able to continue to participate in Part C through June 30, 2011.
3. Which statement describes the status of eligibility in your state for the last three years? Check only one response.

<table>
<thead>
<tr>
<th>Eligibility Status</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>No change in eligibility, no plans to change</td>
<td>27</td>
<td>56.3</td>
<td>56.3</td>
<td>56.3</td>
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<tr>
<td>Eligibility criteria more restrictive</td>
<td>6</td>
<td>12.5</td>
<td>12.5</td>
<td>68.8</td>
</tr>
<tr>
<td>Broadened eligibility criteria</td>
<td>2</td>
<td>4.2</td>
<td>4.2</td>
<td>72.9</td>
</tr>
<tr>
<td>Changing eligibility this year</td>
<td>8</td>
<td>16.7</td>
<td>16.7</td>
<td>89.6</td>
</tr>
<tr>
<td>No response</td>
<td>5</td>
<td>10.4</td>
<td>10.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Of the forty-three states that responded to this question, twenty-seven states (56.3%) indicated that there had been no change in eligibility criteria and were not planning on making any changes. Nine states (20.9%) have made their eligibility criteria more restrictive while two states (4.2%) have broadened their eligibility criteria. An additional eight states (16.7%) indicated that they were changing eligibility criteria in the coming year.
When looking at this question by type of lead agency, Education lead agencies were the most stable with eight states (80%) responding they had made no changes and were not anticipating any changes with one state narrowing eligibility criteria and one state anticipating a change in the coming year. Of the seventeen states with Health as the lead agency, six states (35.2%) responded that they had made no changes; four states (23.5%) had narrowed eligibility; two states (11.7%) had broadened eligibility; and five states (29.4%) indicated they would be changing eligibility this year.

When looking at this question by eligibility categories, 10 states (62.5%) with Broad eligibility criteria responded they had made no changes and were not anticipating any changes; 1 state (6.25%) had restricted eligibility; and 5 states (31.25%) indicated they would be changing criteria this year. Four states (36.3%) with Moderate eligibility criteria responded they had not changed eligibility, 4 states (36.3%) had narrowed eligibility, two states (18.1%) had broadened eligibility and one state (9.9%) will be changing eligibility criteria this year. Of the sixteen states with Narrow eligibility criteria, thirteen states (81.2%) have made no changes in eligibility; one state (6.2%) has narrowed eligibility; and two states (12.5%) will change eligibility this year.
Of the eight states that indicated they would be changing eligibility criteria this year, seven states (87.5%) were narrowing eligibility and one state (12.5%) was broadening eligibility.

<table>
<thead>
<tr>
<th>Eligibility Status by Eligibility</th>
<th>No Change</th>
<th>More Restrictive</th>
<th>Broader</th>
<th>Change This Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broad (17)</td>
<td>10</td>
<td>5</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Moderate (14)</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Narrow (17)</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

4. What is the average number of planned hours of direct service (excluding service coordination and evaluation/assessment) per child per month?

Of the forty-eight states that responded to this survey, twenty-four states (50%) were able to answer this question compared to 20 in 2009. The number of planned service hours per month per child ranged from 2 hours to 30 hours with a median of 7.24 hours. The median hours of planned services in 2009 were 6.5 hours.
5. What is the average number of delivered hours of direct service (excluding service coordination and evaluation/assessment) per child per month?

Of the forty-eight states that responded to this survey, twenty-four states (50%) were able to answer this question compared to 20 in 2009. The number of delivered service hours per month ranged from 2 hours to 30 hours with a median of 5.72 hours. The median hours of delivered services in 2009 were 5.8 hours.

6. Which statement describes the status of your state funding for Part C for 2010-2011 (not including ARRA funds).

<table>
<thead>
<tr>
<th>Funding Status</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State funding increased</td>
<td>9</td>
<td>18.8</td>
<td>18.8</td>
<td>18.8</td>
</tr>
<tr>
<td>State funding cut</td>
<td>14</td>
<td>29.2</td>
<td>29.2</td>
<td>47.9</td>
</tr>
<tr>
<td>State funding frozen</td>
<td>20</td>
<td>41.7</td>
<td>41.7</td>
<td>89.6</td>
</tr>
<tr>
<td>Budget not complete</td>
<td>3</td>
<td>6.3</td>
<td>6.3</td>
<td>95.8</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>4.2</td>
<td>4.2</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Forty-six states responded to this question. Nine states (19.56%) indicted that their state funding was increased; fourteen states (30.4%) had their state funding reduced; twenty states (43.4%) had their funding frozen; and three states (6.5%) indicated their state budget was not complete at the time of the survey response. States that had received a funding cut were asked to specify the percentage of the cut. Nine states provided that information. The average percentage of funding cut was 13% with a range from 1% to 33%.
Analyzing data by type of lead agency resulted in the following findings:

- **Health Lead Agencies:**
  - Three states (15%) had funding increased;
  - Six states (30%) had funding cut;
  - Nine states (45%) had their funding frozen; and
  - Two states (10%) did not have a budget yet.

- **Education Lead Agencies:**
  - There were no states that had a funding increase;
  - Four states (44.4%) had their funding cut;
  - Four states (44.4%) had their funding frozen; and
  - One state (11.1%) did not have a budget yet.

- **Other State Agencies:**
  - Six states (35.2%) had their funding increased;
  - Four states (23.5%) had their funding cut; and
  - Seven states (41.1%) had their funding frozen.

The responses were also analyzed by eligibility category. Eleven states (64.7%) with Broad eligibility and seven states (43.7%) with Narrow eligibility had their state funding frozen. Six states (46.1%) with Moderate eligibility had their funds reduced. Four states (30.7%) with Moderate eligibility and four
states (25%) with Narrow eligibility received increases in their state funding. Only one state (5.8%) with Broad eligibility received increased state funding.

The chart below is a comparison of the 2009 state funding status to 2010 state funding status.

![Comparison of State Funding Status](chart-image)

7. Do you anticipate running out of funds to maintain services at some point this year?

Forty-eight states responded to this question. Only five states (10.4%) indicated they would run out of funds this year. Three states (15%) with Health as the Lead Agency and two states (20%) with
Education as the lead agency indicated they would run out of funds. Two states with Broad eligibility, one state with Moderate eligibility and two states with Narrow eligibility indicated they would run out of funds. One of the states that responded it had sufficient funds also indicated that if future cuts were applied, it would run out of funds.

8. What forms of family cost participation are in effect for your state?

<table>
<thead>
<tr>
<th>FormsofFCP</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Private Insurance Only</td>
<td>13</td>
<td>27.1</td>
<td>27.1</td>
<td>27.1</td>
</tr>
<tr>
<td>Family Fees Only</td>
<td>2</td>
<td>4.2</td>
<td>4.2</td>
<td>31.3</td>
</tr>
<tr>
<td>Both Private Insurance and Family Fees</td>
<td>16</td>
<td>33.3</td>
<td>33.3</td>
<td>64.6</td>
</tr>
<tr>
<td>No Family Cost Participation</td>
<td>17</td>
<td>35.4</td>
<td>35.4</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Forty-eight states responded to this question. Thirty-one states (64.5%) use some form of family cost participation (FCP). Of the 31 states that have FCP, twenty-nine states (93.5%) access the family’s private insurance. This compares to 27 states (96.7% of respondents) in 2009. Eighteen states (58%) have implemented family fees. This compares to 14 states (50% of respondents) in 2009.
Data were analyzed by lead agency and eligibility. Six states (60%) with Education as the lead agency did not have any form of FCP. This compares to six states (30%) of Health lead agencies and five states (27.7%) of Other lead agencies.

Of the states with FCP, ten states (100%) with Broad eligibility access private insurance. This compares to seven states (87.5%) with Moderate eligibility and twelve states (92.3%) with Narrow eligibility.
9. What is the current status of family fees in your state? Check only one response.

<table>
<thead>
<tr>
<th>Family Fee Status</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>10</td>
<td>20.8</td>
<td>20.8</td>
<td>20.8</td>
</tr>
<tr>
<td>System of fees, no changes</td>
<td>5</td>
<td>10.4</td>
<td>10.4</td>
<td>31.3</td>
</tr>
<tr>
<td>Increased fees</td>
<td>1</td>
<td>2.1</td>
<td>2.1</td>
<td>33.3</td>
</tr>
<tr>
<td>Will increase fees this year</td>
<td>20</td>
<td>41.7</td>
<td>41.7</td>
<td>75.0</td>
</tr>
<tr>
<td>No family fees, no plans to implement</td>
<td>3</td>
<td>6.3</td>
<td>6.3</td>
<td>81.3</td>
</tr>
<tr>
<td>Implementing fees for first time</td>
<td>9</td>
<td>18.8</td>
<td>18.8</td>
<td>100.0</td>
</tr>
<tr>
<td>No response</td>
<td>48</td>
<td>100.0</td>
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<td></td>
</tr>
</tbody>
</table>

Thirty-nine states responded to this question. Twenty states (51.2%) indicated they did not have family fees and had no plans to implement fees. Three states (7.6%) will be implementing fees for the first time. Of the states that currently have fees, ten states (62.5%) have no plans to change the fees. Five states (31.2%) have increased fees and one state will increase fees this year.

Of the fifteen states with Health as the lead agency who responded to this question:

- Five states (33.3%) have made no changes in their fee structure and have no plans to do so;
- Two states (13.3%) have increased their fees;
• One state (6.6%) will increase fees this year; and
• Seven states (46.6%) do not have fees and have no plans to implement a fee structure.

Of the eight states with Education as the lead agency who responded to this question:
• Two states (25%) have made no changes in their fee structure and have no plans to do so; and
• Six states (75%) do not have fees and have no plans to implement a fee structure.

Of the sixteen states with Other as the lead agency who responded to this question:
• Three states (18.7%) have made no changes in their fee structure and have no plans to do so;
• Three states (18.7%) have increased their fees;
• Three states (18.7%) are implementing fees for the first time this year; and
• Seven states (43.7%) do not have fees and have no plans to implement a fee structure.

![Family Fee Status by Lead Agency](chart.png)
Fourteen of the seventeen states with Broad eligibility responded to this question:

- Ten states (58.8%) do not have a system of family fees;
- Two states (11.7%) have made no changes in the fee structure and are not planning to make changes;
- Two states (11.7%) have increased their fees

Twelve of the fourteen states with Moderate eligibility responded to this question:

- Four states (42.8%) do not have a system of family fees;
- Five states (21.4%) have made no changes in the fee structure and are not planning to make changes;
- Two state (7.1%) have increased their fees;
- One state (7.1%) will be increasing fees this year; and
- One state (7.1%) will be implementing fees for the first time this year.

Thirteen of the seventeen states with Narrow eligibility responded to this question:

- Six states (46.1%) do not have a system of family fees;
Three states (23%) have made no changes in the fee structure and are not planning to make changes; 
• One state (7.6%) have increased their fees; and 
• Two states (15.3%) will be implementing fees for the first time this year.

10. What is the status of the use of family’s private insurance? Check all that apply.

Forty-five states responded to this question. Thirty-one states (68.8%) access the family’s private insurance with permission. Eleven states (24.4%) have insurance legislation, seven states (15.5%) have policies that require the use of private insurance, four states (8.8%) have incorporated the use of private insurance in their state regulations and nine states (20%) do not access private insurance.
The majority of states, regardless of lead agency, access private insurance with the permission of the family. Six states (40%) with Other as the lead agency have state legislation related to the use of insurance for Part C. That compares to four states (23.5%) with Health as the lead agency and one state (14%) with Education as the lead agency.

![Use of Insurance by Eligibility](image)

Similar to the analysis by lead agency, the majority of states, across eligibility categories, utilize the family’s insurance with their permission. In 2009, twenty-three states identified that they accessed private insurance with the family’s permission. This compares with thirty-one states that identified that they accessed private insurance with the family’s permission in 2010.

**11. What is the status of provider reimbursement in your state?**

<table>
<thead>
<tr>
<th>Provider Reimbursement</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Decreased rates</td>
<td>10</td>
<td>20.8</td>
<td>20.8</td>
<td>20.8</td>
</tr>
<tr>
<td>Increased rates</td>
<td>5</td>
<td>10.4</td>
<td>10.4</td>
<td>31.3</td>
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<tr>
<td>Rates remain same</td>
<td>23</td>
<td>47.9</td>
<td>47.9</td>
<td>79.2</td>
</tr>
<tr>
<td>Will decrease rates this year</td>
<td>2</td>
<td>4.2</td>
<td>4.2</td>
<td>83.3</td>
</tr>
<tr>
<td>Will increase rates this year</td>
<td>1</td>
<td>2.1</td>
<td>2.1</td>
<td>85.4</td>
</tr>
<tr>
<td>No response</td>
<td>7</td>
<td>14.6</td>
<td>14.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>48</td>
<td>100.0</td>
<td>100.0</td>
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</tr>
</tbody>
</table>
Forty-one states responded to this question. Given the financial crises that most states face, this question was an attempt to identify the impact at the local level. Twenty-three states (56%) have kept reimbursement rates the same. Ten states (24.3%) responded that they had reduced provider reimbursement rates and an additional two states (4.8%) reported that they will reduce rates this year. Five states (12.1%) have increased provider reimbursement rates and one additional state will increase rates this year.

States with Other as the lead agency (44.4%) and states with Moderate eligibility (35.7%) had the highest responses to decreases in provider reimbursement.
12. How are you using your ARRA funds?

![Use of ARRA Funds](chart.png)

In 2009, Part C Coordinators were asked how they were going to use the ARRA funds to support their Part C system. The question was asked again this year to see if there had been changes in how the funds were being expended. Forty six states responded to this question in 2010 and 36 states responded in 2009. Over 50% of the respondents in both years utilized ARRA funds to support:

- Direct Services;
- Training of Personnel;
- Development of Modules; and
- Data Systems.

13. Why are you using ARRA funds for direct service?

Thirty-three states responded to this question. Fifteen states (45.4%) are using the funds to support growth in child count. Seven states (21.2%) are using funds to replace cuts in state funding. Eleven states (33.3%) are using the funds to both support growth and to replace cuts.
Six states (50%) with Other as the lead agency are using their ARRA funds to support growth in child count. This compares to five states (33.3%) with Health as the lead agency and four states (66.6%) with Education as the lead agency. Seven states (50%) with Broad eligibility are using their ARRA funds to support growth in child count. This compares to five states (45.4%) with Narrow eligibility and three states (37.5%) with Moderate eligibility.
14. What percentage of your ARRA funds is being spent on direct services?

Of the thirty-three states that indicated they spent their ARRA funding on direct services, thirty-two states responded to this question. This question was designed to identify the percentage of ARRA funds that were being focused on direct services. Ten states (31.2%) reported they were using less than 50% of their ARRA funds for direct services. Fifteen states (46.8%) reported they were using 51% or more of their ARRA funds for direct services. Seven states (21.8%) are using 100% of their ARRA funds for direct services.

In examining the data by lead agency, nine states (55.5%) with Other as the lead agency reported they were using 51% or more of their ARRA funds for direct services. Six of those states were using 100% of the funds for direct services. Four states (44.4%) with Education as the lead agency and eight states (44.4%) with Health as the lead agency used 51% or more of their ARRA funds for direct services. Nine states (60%) with Broad eligibility report they are using 51% or more of their ARRA funds for direct services. This compares to eight states (47%) with Narrow eligibility and 5 states (41.6%) with Moderate eligibility.