August 24, 2017

The Honorable Bill Haslam, Governor
Tennessee State Capitol
Nashville, Tennessee 37243

RE: TCCY Budget Recommendations for Fiscal Year 2018-2019

Dear Governor Haslam:

Tennessee Code Annotated Section 37-3-103(a)(1)(B), includes the following statutory duty for the Tennessee Commission on Children and Youth (TCCY):

On or before September 1 of each year, make recommendations for the state budget for the following fiscal year regarding services for children and youth and submit the recommendations to the governor, the finance, ways and means committee of the senate, the finance, ways and means committee of the house of representatives, the legislative office of budget analysis, and the affected state departments.

The Commission appreciates the opportunity to provide recommendations for the FY 2018-2019 state budget as we have for over 20 years. Over the past two decades, Tennessee has created public-private and state-local partnerships to implement essential "infrastructure" services for children and families – basic public supports developed in our child welfare, education, health, human services, juvenile justice, mental health and disability services systems. These services and supports are interrelated, so weakening public structure resources in one system erodes the strength of the foundation in all systems.

The Commission appreciates your stewardship of the budget during your seven years as Governor. At the time of your election, many critically important programs for children and families in Tennessee were at-risk of being eliminated following the economic downturn the state experienced beginning in 2008. Poor revenue growth resulted in some foundational
programs being funded with non-recurring dollars and therefore subject to annual appropriation to continue. While other states were making painful cuts to services supporting children and families, Tennessee used reserves, set aside through decades of good financial management, to maintain a strong foundation to support its citizens and preserve the infrastructure of services and supports for children. We again commend and appreciate your support for programs serving children and families in Tennessee.

Over time, recurring funding has been restored for many vital programs that were carried through the Great Recession with non-recurring dollars. As discussed later in these recommendations, Home Visiting Programs within the Department of Health have still not been restored to recurring funding. These are foundational programs that provide a two-generation preventive approach to improving outcomes for children and their parents and important strategies for preventing and mitigating the impact of adverse childhood experiences (ACEs).

Additionally, the years of incremental budget reductions have had an adverse impact on the state departments serving children. Reductions have eroded planning, management and oversight capabilities and stretched staff capacity to levels that are challenging for quality program operation and management, if not unsustainable. With state revenue continuing to grow in Fiscal 2018 as it did through most of FY 2017, we are hopeful that Home Visiting Programs can be fully restored to their pre- Great Recession funding levels, using recurring revenue.

Good public policies and strategic investments in public structures have led to improved outcomes for Tennessee children. The 2017 Annie E. Casey Foundation KIDS COUNT Data Book released in June ranked Tennessee 35th, the state’s best ranking in the history of the report. The Commission expresses its appreciation to you, Governor, and to Commissioner McQueen and Dr. Krause for participating in the press conference celebrating release of the report and Tennessee’s improved ranking.

The 2017 Report includes 16 indicators in four domains: Health, Education, Economic Well-Being, and Family and Community, with each domain separately ranked. Tennessee continues to show steady, incremental improvements in many individual indicators. A copy of the 2016 KIDS COUNT Profile for Tennessee is attached for your information.

Tennessee’s best ranking was 26th in Health, reflecting good public policies and important programs that have made a difference:

- Tennessee has historically been among the nation’s leaders in providing health insurance for children through TennCare and CoverKids, Tennessee’s federally-funded Children’s Health Insurance Program (CHIP), resulting in fewer children in Tennessee being without health insurance compared to the national average. While the number of children covered by health insurance has increased, there are still 62,000 uninsured Tennessee children.
Tennessee’s ranking has deteriorated as other states have taken advantage of federal options to expand access to health insurance under the Affordable Care Act. Efforts to maintain health access for children through preservation of Medicaid and reauthorization of CHIP are critically important. So are efforts to expand access to health insurance for Tennesseans to benefit uninsured children and families, to bring in additional financial support for the health care system, to keep up with coverage in other states, and to support the state’s economic prosperity.

- Only five percent of Tennessee teens abuse alcohol or drugs. This measure focuses on abuse and not merely use. This positive outcome reflects the impact of prevention efforts funded through the Department of Mental Health and Substance Abuse Services and the Department of Education’s Coordinated School Health and Safe and Supportive Schools Programs. However, many children and teens suffer from the effects of parental substance abuse, a significant contributor to and outcome from adverse childhood experiences in Tennessee.

- Good public policies, including laws requiring child restraint devices and seat belt use in vehicles, motorcycle and bicycle helmets, life jackets in boats, graduated driver licensing and prohibiting texting while driving, standards for pediatric emergency services and inspection of amusement park rides all help reduce accidental deaths. Coupled with strong suicide prevention programs, these policies have helped Tennessee decrease the rate of child and teen deaths, though child and adolescent deaths in Tennessee are still higher than the national average.

- Tennessee ranks near the bottom with a high rate of low birthweight babies (42nd). Access to prenatal care through the Department of Health and TennCare, and efforts to improve women’s pre-conception health, implement evidence-informed prenatal care strategies (especially in Memphis) and reduce tobacco and other substance use during pregnancy are all making a difference. However, as you know, the problem of drug-exposed infants/neonatal abstinence syndrome is substantial in the state.

Tennessee children continue to improve on three Education indicators: fourth graders proficient in reading, eighth graders proficient in math, and high school students graduating on time. We appreciate your commitment to improving education. We also appreciate the efforts of Commissioner McQueen and the Department of Education to improve the quality of Pre-K including using qualitative data to inform funding decisions. Initiatives begun under your administration such as Drive to 55, Tennessee Promise, TN Achieves and now Tennessee Reconnect will improve the lives of Tennessee children and families for generations to come.

The KIDS COUNT Data Book highlighted the need for more concerted efforts in Tennessee to continue improvements in Education, Economic Well-Being, and Family and Community indicators. Almost one in four Tennessee children lives in poverty (24%), one in six (15%) in a high-poverty area, nearly one in three in a family with a high housing cost burden (30%) or in a
family where parents do not have secure employment (31%), and more than one-third in single-parent families (37%). Poverty, unemployment and living in high poverty communities, often due to a lack of affordable housing, can create toxic stress for children and families and insecure, unstable homes, making it difficult for children to thrive or have access to opportunities to create successful outcomes in their future.

Tennessee has historically been and will continue to be heavily reliant on federal funds to provide the essential services and supports for our children to thrive and prosper. In FY 2016, based on data submitted from state departments and agencies to TCCY’s Resource Mapping Project, federal expenditures accounted for close to half of all dollars spent on children through the Tennessee state budget (40%). 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, almost three of every four dollars spent on services for Tennessee children and families in FY 2015-16 were from federal funding sources. State funding accounted for 24 percent of all non-BEP expenditures in FY 2015-16. Excluding the BEP, almost nine of every 10 dollars in the state budget for children—88 percent—in FY 2015-16 were either federal or required as match/MOE for federal funding.

What happens with federal funding has an incredible impact on Tennessee children and families. Proposals for future budgets with substantial reductions in federal funding will be challenging as they precipitate potentially devastating cuts in the public structures supporting children and families. Those structures are vital for children to be safe, healthy, educated, nurtured and supported, and engaged in activities that provide them opportunities to succeed in school and become good parents and productive employees in the future.

Reductions proposed for Medicaid alone would have devastating effects throughout state departments serving children. Medicaid funding pays for many services outside of healthcare. TennCare pays for a substantial portion of all mental health services provided in Tennessee. The Department of Children’s Services uses TennCare funding for staff to provide case management services and pay for therapeutic placements and treatment for youth placed in foster care. School districts use Medicaid funding to serve students in their Special Education Programs. Other federal budget reductions in education, supplemental nutrition assistance, the Community Services Block Grant, the Mental Health Services Block Grant and the Community Development Block Grant could have severe negative impacts on vulnerable Tennessee children and families.

**Adverse Childhood Experiences**

As you know, the impact of adverse childhood experiences (ACEs) - the trauma and toxic stresses of persistent poverty, severe maternal depression, abuse and neglect, divorce, death,
parental incarceration, substance abuse, etc. has been well documented. These experiences, especially during early childhood, can have lifelong consequences. Addressing these underlying issues in Tennessee – by preventing, and providing appropriate therapeutic responses to ACEs/trauma/toxic stress when not prevented – is essential to long-term solutions to many of the intergenerational problems facing Tennessee children and families – poverty, child abuse, substance abuse, domestic violence, etc.

We appreciate the leadership you, the First Lady and Deputy Governor Jim Henry have provided over the past year on ACEs and Building Strong Brains: Tennessee’s ACEs Initiative. Funding provided in your FY 2017 and FY 2018 budget for prevention and mitigation of adverse childhood experiences reflect important commitments to addressing this issue in Tennessee. In FY 2017, ACEs Innovation Grants supported 13 programs across a wide range of sectors, including medicine, education, mental health, juvenile justice and early childhood education. TCCY staff trained 502 people across the state to provide training to others in their agency, program or community so ACEs prevention and mitigation can be fully integrated into services provided to children and families. The Department of Education focused its Conditions of Learning Conference on ACEs, educating a large number of teachers and other local education agency staff on the importance of recognizing the impact of these conditions on children’s behavior and potential for learning and providing safe, stable, nurturing relationships and environments to mitigate their impact.

There is increased recognition and understanding across state child-serving departments regarding the effects of toxic stress resulting from adverse childhood experiences on the health, mental health and well-being of both children and adults in Tennessee. Too many Tennessee children experience high rates of poverty, domestic violence, parental drug and alcohol abuse, child abuse and neglect, and other adverse conditions and trauma that lead to difficulties in school, life-long health and mental health problems, and shorter life expectancy. The 2016 Policy Report from the Annie E. Casey Foundation entitled A Shared Sentence: The Devastating Toll of Parental Incarceration on Kids, Families and Communities documented the extent of the problem of parental incarceration in Tennessee reporting the state ranked third worst (tied with five other states) for the percent of children with incarcerated parents.

Among those who misuse opioids, the individuals most likely to experience problems with addiction are those who suffered multiple adverse childhood experiences, according to a recent paper from the Campaign for Trauma Informed Policy and Practice (CTIPP). Individuals who reported five or more ACEs were three times more likely to misuse prescription pain medication and five times more likely to engage in injection drug use. The report recommends using both prevention and trauma-informed treatment to address the addiction epidemic: prevention to ensure the next generation does not abuse substances when they become adults; and to promote resilience and trauma-informed treatment to help existing substance abusers recover and return to
productive lives. CTIPP declared: “Prevention is the single most effective long-term solution to drug abuse. If we do not reduce the demand for drugs, we will never reduce supply.”

Prevention, effective intervention and good public investments and policies can reduce the incidence and the impact of adverse childhood experiences and minimize the enduring and intergenerational cycle of pain that adults revisit on their children.

The Commission applauds and is pleased to participate in these efforts as we collaborate with others through Building Strong Brains to work to change the culture of Tennessee so that the state’s overarching early childhood philosophy, policies, programs and practices utilize the latest brain science to prevent and mitigate the impact of adverse childhood experiences. We strongly urge you to increase and make recurring funding to address adverse childhood experiences in Tennessee in the FY 2019 budget. Requests for funding in the FY 2018 application process show that both the needs and the opportunities are great, with the total amount requested 10 times greater than the funding available. This would be a wise investment in efforts to improve Tennessee’s future prosperity.

**Additional Budget Recommendations for FY 2018**

*Tennessee Compilation of Selected Laws on Children, Youth and Families*

For over twenty years, the Commission has funded the printing of the *Tennessee Compilation of Selected Laws on Children, Youth and Families* using residual (allocated but unexpended) federal juvenile justice grant dollars from the Office of Juvenile Justice and Delinquency Prevention (OJJDP). Since 2000, Congress has severely reduced or eliminated funding for OJJDP grants so residual funding is no longer available to pay the $55,000 cost of setting up and printing the book. Most judges keep a copy on the bench and it is a necessary tool for juvenile court staff, DCS caseworkers, and attorneys providing representation in cases involving child welfare, juvenile delinquency, special education law and child support. This year alone, 13 statutes contained in the volume in Title 36 and 37 were amended. Without an updated Compilation, judges, court staff and attorneys serving in juvenile court will not have easy reference to current law and changes in TCA affecting children and families in the juvenile court system. Without funding from TCCY, this publication does not occur. The layout of the publication alone costs almost $46,000; the additional $9,000 is the cost of printing 1,500 to 2,000 copies of the book and providing an HTML version so it can be posted on TCCY’s website. While TCCY has put together a document to mitigate the loss of the Compilation for 2017, it is unrealistic to do this in coming years. The Commission urges you to provide $55,000 in recurring funding in the FY 2018-2019 TCCY budget for publication of the *Tennessee Compilation of Selected Laws on Children, Youth and Families* for distribution to those identified above who have relied on this book.
Restoration and Recurring Funding for Healthy Start Home Visiting Programs

With revenues growing beyond estimates, it is critical to restore Healthy Start Home Visiting Programs ($1.5M) to the previous funding level of $3.5 million using recurring funding. Administered by the Department of Health, these programs received a reduction in funding for FY 2014 and 2015 of approximately $2 million and their remaining funds have been non-recurring dollars in each budget since that time. Healthy Start Home Visiting programs provide in-home visits to expectant mothers and new parents. Data from evaluation of Healthy Start shows quality home visiting programs reduce child abuse and neglect, with 99 percent of these at-risk children served free of abuse and remaining in their homes. With a per child cost of $3,675, Healthy Start demonstrates the efficiency and effectiveness of prevention and early intervention when compared to the annual cost of out of home placement in foster care almost $9,000 per child and residential care at more than $52,500 per child. Healthy Start is a tremendous value and an important preventive two-generation approach to improving outcomes.

The purpose of the program is to address the diverse needs of families by providing intensive home visiting services to improve health and developmental outcomes of children from birth through age five. Through periodic visits to the home, home visitors assess pregnant women's and families' health and social support needs, make referrals to needed services, and provide education and support to promote positive health and social outcomes. Home visiting programs show improved outcomes for families in improved maternal and newborn health, prevention of child abuse, neglect or maltreatment, improved school readiness and achievement, reduction in domestic violence, improved family economic self-sufficiency, and improved coordination and referrals for needed community resources and supports.

Quality evidence-based home visiting programs are one of the strategies proven to prevent and mitigate ACEs for children and families. Home visitors enhance parenting skills to promote healthy child development. As a two-generation approach, home visiting programs work with children and caregivers helping to foster the development of safe, stable and nurturing relationships with their children.

Healthy Start achieved an 83 percent immunization rate at two years of age for the children they served and 99.5 percent of mothers delayed subsequent pregnancy for at least 12 months after the prior birth. Healthy Start also provides screening for developmental delays of children to provide early identification of unmet needs, depression screening of new mothers, and appropriate referrals to address identified needs.

Quality Home Visiting Programs are among the front line strategies for preventing and mitigating toxic stress and adverse childhood experiences. Evidence-based home visiting programs should be an integral part of strategic efforts to improve outcomes for Tennessee’s youngest children, and especially made available to at-risk young children. Brain development
research makes clear the value of investing in young children. **Recurring dollars and the $2 million reduction for Healthy Start should be restored.** These funds are an important investment in the future of young Tennesseans.

**Health and Access to Healthcare**

We applaud the Department of Health for the focus on adverse childhood experiences and the collection and dissemination of data on ACEs prevalence in Tennessee. TCCY values the collaboration with the Department of Health on home visiting programs. As previously discussed, TCCY hopes you will restore funding for evidence-based Healthy Start Home Visiting programs and make the funds recurring.

The Department of Health continues to make efforts to reduce unplanned pregnancies, which constitute half of all pregnancies in Tennessee. Colorado and South Carolina have both shown **improvements reducing unplanned pregnancies through the use of voluntary long-acting reversible contraceptives (LARC).**

Voluntary long-acting reversible contraceptives are not a new idea; many psychiatrists treating mentally ill women of child-bearing age with psychotropic medications known to cause birth defects and abnormalities have used them to prevent pregnancies in their patients. Long-acting reversible contraceptives are also recommended for adolescents and adult women addicted to drugs or abusing alcohol. In all cases, LARCs should only be used on a voluntary basis, with the voluntary, knowing consent of the recipient and under the care of an appropriate medical profession.

Programs focusing on providing voluntary long-acting reversible contraceptives have resulted in reduced teen births and reduced teen abortions, and reduced unplanned second or subsequent births. By reducing unplanned or unwanted pregnancies, young women are able to complete their education, participate in treatment for addiction, if needed, and wait to start their families until they are better prepared to provide for their children’s needs. A Step Ahead program that originated in Memphis and has spread across much of Tennessee is an important vehicle for accessing LARCs for women who are uninsured or cannot afford them.

Teen birth rates nationally and in Tennessee have fallen dramatically in recent years. Tennessee’s ranking on teen births nationally was unchanged in the 2017 KIDS COUNTRY Data Book. The Commission supports the Department of Health’s efforts to reduce adolescent pregnancies and the Department of Children’s Services efforts to reduce pregnancies among current and former foster youth. An August 2014 National Vital Statistics Report from the Centers for Disease Control and Prevention said the costs of adolescent childbearing in the United States was estimated at $9.4 billion in 2010 alone. Health outcomes for births to young
mothers include elevated risks for low birthweight babies and preterm births, placing infants at greater risk of serious and long-term illness, developmental delays, and of dying in the first year of life.

Preventing adolescent pregnancies requires a broad-based community approach, and long-acting reversible contraceptives should be one strategy utilized. Additional strategies include ensuring medical providers are trained in the administration of voluntary long-acting reversible contraceptives and appropriately compensated for this service by TennCare and other insurance providers, including compensation for maintaining an appropriate supply of voluntary long-acting reversible contraceptives for immediate use when requested/prescribed. The Commission applauds the TennCare Bureau for implementing strategies to make access to LARC easier.

As mentioned previously, Tennessee has historically had a high rate of insurance coverage for children thanks to TennCare, and Cover Kids, the Tennessee version of the Children’s Health Insurance Program, and insurance coverage for children continues to improve, despite Tennessee failing to adopt Medicaid expansion under the Affordable Care Act. However, 62,000 children still lack health insurance in Tennessee, despite the fact that most, if not all, these children are eligible for Medicaid or Cover Kids. Outreach is needed to ensure all eligible children are enrolled in Medicaid or Cover Kids.

Studies show children are more likely to be covered when their parents also have access to health insurance. Though children living in poverty qualify for coverage under other programs, they are less likely to receive health care services if their parents are uninsured. The Agency for Healthcare Research and Quality reported:

Insuring children without insuring their parents does not solve the problem of children’s unmet health needs, a new study finds. Insured children living with at least one parent in families where the children were insured, but the parents were not, were more than twice as likely to not have a usual source of care than insured children with insured parents. In similar fashion, insured children with uninsured parents were 11 percent more likely to have unmet health needs and 20 percent more likely to have never received any preventive counseling services. Insured children with one insured and one uninsured parent were 18 percent more likely to have had no doctor’s visit in the past year than insured children with two insured parents.

**Mental Health and Substance Abuse**

There continues to be a need for additional resources to provide treatment and support for children and adults suffering from the effects of mental illness and substance abuse in Tennessee, including more school-based mental health services. Mental health and substance
abuse issues have a dramatic effect on the resources of all child-serving departments, as well as law enforcement, the judicial system and corrections. Parental mental illness and substance abuse are toxic stressors for children, creating instability and insecurity in their home and diminishing parental serve and return response and attention. They are major underlying factors in the high rate of parental incarceration in Tennessee.

The Commission appreciates your efforts to improve access to drug courts and other specialty courts for veterans and the mentally ill. Research makes it increasingly clear that adverse childhood experiences are a major factor in substance abuse as victims resort to self-medication. Assisting those with mental health and substance abuse issues in accessing treatment as opposed to incarceration is more humane, more cost-effective and more likely to succeed.

Suicide is the second leading cause of death among children and young adults aged 10 to 24 nationally and in Tennessee, and it is growing among older adults as well. Nationally, the rate of suicide among children 10 to 14 doubled from 2007 to 2014. While bullying is often cited as a cause of suicide, studies have found that difficulties in primary interpersonal relationships with family or intimate partners were a factor in over half of all cases studied and over 60 percent of cases had multiple contributing factors.

The Department of Mental Health and Substance Abuse Services (TDMNSAS) funds eight Crisis Stabilization Units across the state to provide interventions for adults who are a danger to themselves or others who can be treated in a less restrictive setting than an inpatient psychiatric hospital. However, there are no Crisis Stabilization Units for children and youth. Youth who are a danger to themselves or others are therefore taken to hospital emergency departments for diagnosis and immediate intervention. Due to the lack of appropriate treatment resources, children and youth may spend several days in the ER, occupying bed space needed to provide treatment for acute trauma, utilizing resources at the most intensive level of care, awaiting appropriate placement to meet their needs. As the Regional Mental Health Institutes have not served children for a number of years, there are insufficient alternatives for these children and youth. Crisis Stabilization Units for children and youth remain a priority resource need throughout the state.

Children suffer from the effects of untreated parental mental illness and substance abuse. Unfortunately, that suffering often begins at birth. Tennessee continues to have a significant problem with neonatal abstinence syndrome (NAS), but some progress is noted. Department of Health surveillance reveals fewer cases of NAS have been reported through the 33rd week of 2017 (606) than 2016 (634). Treatment programs for pregnant women and mothers who suffer from substance abuse are scarce in Tennessee. While many of these mothers are under the care of a physician for treatment of addiction, chronic pain or mental illness, over half exposed their infants to non-prescription drugs or prescription drugs obtained without a prescription.
Continued efforts to reduce access to opiates and other prescription drugs are necessary to combat this problem, and more efforts and resources to reduce unplanned pregnancies, increase prenatal care, and treat mothers with addiction are necessary at this time.

**Efforts to address the opioid epidemic in Tennessee must include evidence-based prevention and treatment programs.** In addition to treatment for parents, treatment is also needed for adolescents and young adults to interrupt abuse at the earliest possible stage. Increasingly, there is recognition the most successful substance abuse treatment programs must use a trauma- or ACEs-informed approach as trauma or adverse childhood experiences are the root of the abuse.

**Child Welfare and Juvenile Justice**

As previously mentioned, we appreciate the appropriation of non-recurring funds this year to address adverse childhood experiences. Again, TCCY urges you to increase funds to address adverse childhood expenditures in Tennessee and make them available as recurring dollars. This would ensure the momentum of Building Strong Brains becomes an integral and embedded approach to changing the culture in Tennessee to better prevent and respond to ACEs.

The Commission commends you, Commissioner Bonnie Hommrich and the staff at DCS for making the much needed system improvements in the child welfare system in Tennessee as evidenced by the recent end of federal court supervision imposed under the Brian A. consent decree. **Tennessee must continue the progress in child welfare as it strives to provide appropriate services and timely permanence** for children who have experienced abuse or neglect.

As the number of youth in state custody has increased in the past year, at least in part as a result of the opioid epidemic, there are some concerns raised about DCS not moving as aggressively as they should in removing endangered youth from their homes. Parental substance abuse, especially the opioid epidemic, is shattering families and placing too many children at risk. Leaving children in dangerous homes jeopardizes their safety and increases further trauma and toxic stress – ACEs – as addressed previously. DCS must ensure children are removed from their homes and taken into custody when their safety and health are at risk. Moving children to permanence in a timely manner is the most effective way to reduce the number of children in the department’s custody.

TCCY applauds the collaborative approach of the executive, legislative and judicial branch in engaging with The Pew Charitable Trusts and Lieutenant Governor McNally and Speaker Harwell’s appointment of the **Blue Ribbon Task Force on Juvenile Justice** (BRTFJJ). The engagement with Pew provides great potential for data-driven review of the system and identification of appropriate strategies to improve outcomes for youth and protect communities.
As demonstrated by the Council of State Governments study in Texas, many youth who are placed in youth development centers can be more effectively treated and supervised in a community setting. Pew work in other states has also resulted in substantial juvenile justice system changes and models that should be explored for improving the system in Tennessee. Your FY 2019 budget should include the resources required to implement the recommendations from the Blue Ribbon Task Force. The number of children in the juvenile justice system who have mental health treatment needs is estimated at 70 percent. Funding to address the mental health needs of these children is critical to provide opportunities for recovery for them and reduced recidivism and long-term mental health and criminal justice system costs.

TCCY also appreciates the great strides DCS has made with reforming its juvenile justice programs and reducing the number of youth in hardware secure facilities. Gateway to Independence is a very positive effort to provide effective juvenile justice programming. Focusing on education outcomes and successful transition to community, Gateway to Independence has established relationships with local employers and colleges, enabling their students to work or attend technical school, improving opportunities for success before leaving the program. DCS should work diligently to implement recommendations from the Blue Ribbon Task Force.

**DCS continues to improve the provision of services to youth aging out of state custody** – extension of foster care while youth complete high school or attend post-secondary education. Length of stay in extension of foster care equals approximately two academic semesters, illustrating the difficulty former foster youth have meeting the rigorous demands of college academic requirements. DCS needs to increase the number of youth served by extension of foster care services by expanding program eligibility to former foster youth who are employed, working 80 hours a month or more, or participating in activities to remove barriers to employment. Allowing youth to participate in extension of foster care while employed part-time will not only allow more youth to have a successful transition, it will also provide support for those who have more difficulty meeting academic requirements to stay in school and complete their education objectives. Today most people take more than five years to complete a four-year degree and many also must work part-time to support themselves while in school. Opening extension of foster care to youth employed 80 hours a month provides an additional safety net for those who struggle academically and need more support to complete their education. DCS should also explore opening more Resource Centers for youth participating in extension of foster care services in rural parts of the state to assist transition age youth in those areas that are not currently being served.

The Tennessee Housing Development Agency (THDA) continues to make housing assistance for transitioning young adults a priority. Transition age youth, particularly former foster youth, are at
high risk of homelessness. Funding has been granted to several agencies around the state to provide housing for this population. We **appreciate the emphasis THDA has put on the housing needs of former foster youth and transition age young people and encourage them to continue this effort.** We hope they are not discouraged them from continuing this opportunity by the relatively few applications they have received in the past. There may be opportunities to collaborate with other state departments to provide the case management/supportive services critically needed for young adults to succeed in and maintain this important housing.

Staff participation with the Second Look Commission, on the Department of Health Child Fatality Review Team, and with the Department of Children’s Services in its efforts to address child deaths has revealed the challenges frequently associated with receiving autopsy reports for children. These delays adversely impact overall child fatality review to identify preventable deaths, and perhaps more importantly, impact a determination of whether a child death is the result of abuse or neglect, natural causes or an accident. Consequently, remaining siblings may be either unnecessarily removed from their families into the state’s foster care system or left in abusive homes where they are at risk of child maltreatment. Timely provision of autopsy reports begins with a quality death scene investigation. The Commission encourages the **development, implementation and funding of quality death scene investigation practices and sufficient forensic pathologists to conduct autopsies and related tests timely.**

**Administrative Office of the Courts funding for legal representation of children in or at-risk of state custody needs to be increased.** Children at risk of school suspension/expulsion and children involved with the juvenile courts, regardless of charge, need to be provided with effective legal counsel, as recommended by the Council of State Governments. In multiple counties in Tennessee, serious concerns have been raised about the lack of legal representation for youth facing potentially life-altering decisions by schools or juvenile courts. The “School-to-Prison Pipeline” is a well-documented phenomenon, and suspension/expulsion increases the likelihood a child will ultimately drop out of school and fail to acquire the skills needed to be a productive employee. In a country founded on principles of the rule of law, it is unconscionable to fail to provide children with representation to protect their rights, even in minor cases that can have life-long adverse impacts. Failure to provide children with effective legal counsel sends them a message that they are not “worth it” and subverts their respect for the legal system. Tennessee needs to provide **funds for effective legal counsel for young people.** Current reimbursement for lawyers who represent children is inadequate in both hourly and maximum rates. Under the current system, the Administrative Office of the Courts needs additional funding for court-appointed counsel. As an alternative, the state should also explore establishing an office or center to employ attorneys and support staff to provide effective representation for indigent children and to provide training to private attorneys representing other children.
Court Appointed Special Advocates (CASA) Programs provide trained volunteers who are appointed by juvenile court judges to advocate in the best interest of abused and neglected children in their courts. There are currently 52 counties with CASA programs in place. We appreciate the funding provided for three new counties in the FY 2018 budget, and increasing the amount of state support for each county to $20,000 per county. The cost to provide CASA in each county is much greater, so they must still raise the majority of funds required to implement these important programs.

TN CASA also received $60,000 in non-recurring funding for quality assurance and development. Developing a CASA program in each of the remaining unserved counties will be considerably challenging. CASA’s goal is to provide a CASA volunteer for every child who needs one by 2020. A CASA program in every county, for every child who needs one, would enhance efforts of the Department of Children’s Services to reduce the number of children in custody through timely family reunification or other exits to permanency. Funding for CASA programs is administered by the Commission on Children and Youth and includes interdepartmental funding from the Department of Children’s Services and state dollars appropriated directly to TCCY. The Commission also appreciates the funding TCCY received for a new position to monitor these grants appropriated in the FY 2018 budget. The additional funding your administration has provided for the growth of CASA across the state will make a substantial difference for the children they serve. The Tennessee CASA Association works extensively with counties to expand the availability of CASA programs and provides important training, technical assistance and support for CASA programs. Providing recurring funding for TN CASA to focus on expansion and quality improvement will provide the foundation to continue the progress in CASA expansion made during your Administration.

Education

The Tennessee Commission on Children and Youth is a long-time supporter of quality Pre-Kindergarten Programs in Tennessee. Legislation passed by the General Assembly in 2016 is designed to improve quality, and the Department of Education is working diligently to implement changes. We hope that changes in funding determinations for Pre-K classrooms announced recently will lead to more at-risk children being served. However, more funding will be necessary in both urban and rural areas if Tennessee is going to make pre-kindergarten available to all at-risk children.

The Gates Foundation, with its partners Ounce of Prevention and Alliance for Early Success, has been providing technical assistance to the Department of Education and advocates in the state to improve quality and work for expansion of Pre-K. The Commission is pleased to be a partner in this effort.
National evaluations of quality Pre-K programs have shown reduced referrals for special education, increased graduation rates, reduced incarceration, and even increases in the earnings of student’s households. At-risk students, defined as those eligible to participate in free or reduced-price lunch programs, and children with disabilities are shown to benefit most from quality Pre-K programs.

**Tennessee must strive to preserve and expand the Pre-K infrastructure and ensure Pre-K programs are high quality**, including through implementation of the 2016 legislation to ensure Pre-K programs:

- are delivered in developmentally appropriate classrooms and settings that enable children to learn through play and group interaction, not primarily teacher-directed activities;
- emphasize social and emotional development in addition to cognitive development;
- utilize a high quality curriculum, delivered consistently, that focuses on the foundations of literacy and numeracy skill development;
- have independent evaluation of classrooms to identify strengths and opportunities to maximize student learning;
- have high quality teachers who are adequately prepared in higher education and receive coaching and support to implement continuous improvement strategies based on classroom evaluations; and
- Provide alignment of instruction for Pre-K and K-3 to ensure continuous learning and growth opportunities for all children.

Quality Pre-K programs are a wise investment in the future of Tennessee and compliment your Administration’s goals of improving education and economic opportunities. Quality Pre-K is an important strategy for building a stronger, more competitive work force.

The Commission appreciates your support for Family Resource Centers (FRC) and the Coordinated School Health Program (CSHP) during the Great Recession, continuing those programs with non-recurring funding and now recurring funding in the state’s budget. Family Resource Centers are important state-local, and often public-private, partnerships working to improve education opportunities and achievement among at-risk students and their families. The state funds 103 FRCs in 79 of the state’s 142 school districts. Several districts have expressed interest in developing FRCs if funding were available.

In 2016, **FRCs served 94,000 students and 51,500 families**. FRCs also engage their community to develop partnerships to provide additional support for students and their families, creating 1,950 relationships and generating over $9 million in services, grants, donations and volunteer hours.

FRCs are severely underfunded. When the program began over 20 years ago, grantees received $50,000 per site. These funds provided for a full-time director and resources for programs and
services. The funding soon decreased to $33,300 and has now decreased to the current level of $29,611.95. Current state level funding does not include any administrative funds for program oversight and training by the Department of Education.

Family Resource Centers play an important role in providing support for students outside the classroom so they can learn and grow academically. **Tennessee needs to make FRCs available to students in every district and provide each FRC with required resources to help students and families receive supportive services to overcome difficulties they may encounter, including adverse childhood experiences.** The Department of Education needs funding for central office administration of the statewide Family Resource Center program and to provide training, coaching and leadership for Family Resource Center staff.

CSHP has been successful in attracting additional funding from foundations and businesses and serves as a base for the generation of additional support for strategies to improve health and educational outcomes for Tennessee students. Both CSHP and FRC provide important supportive services that strengthen families and their children and help them succeed in school.

A potential strategy for improving school performance both academically and behaviorally is to **increase participation in free/reduced price school breakfast programs.** Data submitted to Resource Mapping indicates over 86 million free/reduced price school lunches were provided in Tennessee schools in FY 2016, but only 55 million free/reduced price school breakfasts were served. The eligibility standards for the programs are the same, suggesting the challenge is the need for greater awareness of the importance of school breakfasts and the need for equipment to make it easier for schools to incorporate school breakfast into the school day. Both common sense and research tell us hungry children have more challenges learning and also behaving in the classroom. Providing resources to encourage more schools to implement school breakfast programs should help reduce inadequate nutrition, so important for healthy brain and body development in children, and improve attendance, educational and behavioral outcomes.

The increase in referrals to the **Tennessee Early Intervention Services** program in recent years has strained the ability of staff to adequately meet the needs of very young children for whom such intervention is critical for reducing the impact or overcoming disabilities. Additional funding is needed to provide sufficient staff to meet the needs of young children facing challenges. Research indicates children with disabilities experience higher rates of abuse, and special education services are more costly than regular education. Providing appropriate early intervention services is a cost effective way to improve outcomes for children and reduce avoidable costs in the future.

The Commission applauds the successful implementation of Tennessee Promise increasing access to higher education for more high school graduates. Tennessee Promise will be an important factor in the state reaching its goal of 55 percent of the workforce having education and training beyond high school by 2025. The creation of Tennessee Reconnect providing adults
access to Tennessee Community Colleges and Colleges of Applied Technology will allow many parents to attend or return to improve their education and training in order to better meet the needs of their families. It was recently announced that Tennessee led the nation in applications for federal student assistance, not only improving the state’s future prosperity by growing an educated workforce, but also injecting additional funding in higher education to improve education for all students.

**Childcare and Two-Generation Approaches to Reducing Poverty**

Quality childcare is essential for working families and provides important opportunities to help children develop the cognitive, social and emotional competencies needed to succeed in school. More concerted efforts are needed to embed *Building Strong Brains* and an ACEs-informed approach in child care settings. Providing childcare and improving quality in childcare is an essential element in a two-generation approach to addressing poverty. Tennessee’s Child Care Resource and Referral (CCRR) network and Tennessee Early Childhood Training Alliance (TECTA) are essential components in the infrastructure of services and supports for the provision of quality childcare in Tennessee. Strategies to implement evidence-based two-generation approaches to reduce poverty are encouraged, and those approaches should recognize the importance of preventing and mitigating the impact of adverse childhood experiences for struggling clients. In 2016, DHS established a Two Generation Consortium, and the Commission is pleased to be a part of this effort. DHS is using two-generation strategies to reduce poverty through several public-private partnerships around the state focusing on improving parental employment opportunities, financial literacy, and assisting families in finding quality childcare.

**Human Trafficking**

The Commission continues to support the provision of needed funding to effectively intervene and address human trafficking, including providing services to victims and punishment to perpetrators. Human trafficking presents a significant and serious threat to the physical and mental health and safety of children. Although Tennessee leads the nation in recognizing and punishing this criminal activity, unfortunately, more efforts to educate the public and prevent trafficking are still needed. We appreciate the Tennessee Bureau of Investigation’s and local law enforcement efforts to eliminate human trafficking in our state.

As Tennessee revenues continue to grow and outpace estimates, we hope you will continue to make the investments needed to improve children’s well-being in the state. The Commission encourages you to take this opportunity to fully restore recurring funding for Healthy Start Home Visiting Programs, increase and make recurring funding for preventing and mitigating the effects of adverse childhood experiences, provide additional resources for mental health and substance abuse prevention and treatment and Family Resource Centers, and provide recurring funding for the *Compilation of Selected Laws on Children, Youth and Families*. Tennessee needs to continue...
moving forward with key expansions in areas that improve outcomes for Tennessee children and create opportunities for them to thrive. We appreciate your efforts for a brighter future for all Tennessee children and will do whatever we can to assist you. If you have questions or we can provide additional information, please let us know.

Sincerely,

Brenda Davis      Linda O’Neal
Commission Chair     Executive Director

cc:    First Lady Crissy Haslam
      Greg Adams, Chief Operating Officer
      Jim Henry, Deputy Governor
      Larry Martin, Commissioner, Department of Finance and Administration
      Bonnie Hommrich, Commissioner, Department of Children’s Services
      Candice McQueen, Commissioner, Department of Education
      Dr. John Dreyzehner, Commissioner, Department of Health
      Danielle Barnes, Commissioner, Department of Human Services
      Debra Payne, Commissioner, Department of Intellectual and Developmental Disabilities
      Burns Phillips, Commissioner, Department of Labor and Workforce Development
      Marie Williams, Commissioner, Department of Mental Health and Substance Abuse Services
      Dr. Wendy Long, Deputy Commissioner, Bureau of TennCare & Health Care Finance & Administration
      Deborah Taylor Tate, Administrative Director, Administrative Office of the Courts
      Ralph Perrey, Executive Director, Tennessee Housing Development Agency
      David Thurman, Budget Director, Department of Finance and Administration
      Jude White, Executive Director, Governor’s Children’s Cabinet
      The Honorable Randy McNally, Lieutenant Governor
      The Honorable Beth Harwell, Speaker, Tennessee House of Representatives
      The Honorable Bo Watson, Chair, Senate Finance, Ways and Means Committee
      The Honorable Charles Sargent, Chair, House Finance, Ways and Means Committee
      Members of the 110th Tennessee General Assembly
<table>
<thead>
<tr>
<th>Domain</th>
<th>Rank</th>
<th>Tennessee</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic Well-Being</strong></td>
<td>35</td>
<td>26% 2010</td>
<td>24% 2015</td>
</tr>
<tr>
<td><strong>Children in Poverty</strong></td>
<td></td>
<td>BETTER</td>
<td>BETTER</td>
</tr>
<tr>
<td>Number of Children</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TN 355,000</td>
<td>US 15,000,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Children Whose Parents Lack Secure Employment</strong></td>
<td></td>
<td>37% 2010</td>
<td>31% 2015</td>
</tr>
<tr>
<td>Number of Children</td>
<td></td>
<td>BETTER</td>
<td>BETTER</td>
</tr>
<tr>
<td>TN 466,000</td>
<td>US 21,363,000</td>
<td></td>
<td></td>
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<tr>
<td><strong>Children Living in Households with a High Housing Cost Burden</strong></td>
<td></td>
<td>37% 2010</td>
<td>30% 2015</td>
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<tr>
<td>Number of Children</td>
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<td>BETTER</td>
<td>BETTER</td>
</tr>
<tr>
<td>TN 448,000</td>
<td>US 24,646,000</td>
<td></td>
<td></td>
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<tr>
<td><strong>Teens Not in School and Not Working</strong></td>
<td></td>
<td>10% 2010</td>
<td>7% 2015</td>
</tr>
<tr>
<td>Number of Teens</td>
<td></td>
<td>BETTER</td>
<td>BETTER</td>
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<tr>
<td>TN 24,000</td>
<td>US 1,191,000</td>
<td></td>
<td></td>
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<tr>
<td><strong>Young Children Not in School</strong></td>
<td></td>
<td>59% 2009–11</td>
<td>61% 2013–15</td>
</tr>
<tr>
<td>Number of Children</td>
<td></td>
<td>WORSE</td>
<td>WORSE</td>
</tr>
<tr>
<td>TN 99,000</td>
<td>US 4,344,000</td>
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<td></td>
</tr>
<tr>
<td><strong>Fourth Graders Not Proficient in Reading</strong></td>
<td></td>
<td>72% 2009</td>
<td>67% 2015</td>
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<tr>
<td>Number of Children</td>
<td></td>
<td>BETTER</td>
<td>BETTER</td>
</tr>
<tr>
<td>TN N.A.</td>
<td>US N.A.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Eighth Graders Not Proficient in Math</strong></td>
<td></td>
<td>75% 2009</td>
<td>71% 2015</td>
</tr>
<tr>
<td>Number of Children</td>
<td></td>
<td>BETTER</td>
<td>WORSE</td>
</tr>
<tr>
<td>TN N.A.</td>
<td>US N.A.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>High School Students Not Graduating On Time</strong></td>
<td></td>
<td>14% 2010/11</td>
<td>12% 2014/15</td>
</tr>
<tr>
<td>Number of Teens</td>
<td></td>
<td>BETTER</td>
<td>BETTER</td>
</tr>
</tbody>
</table>

Learn more at [datacenter.kidscount.org/TN](http://datacenter.kidscount.org/TN)

N.A. = NOT AVAILABLE

Tennessee Commission on Children and Youth
www.tn.gov/tccy | 615.741.2633
### Tennessee

<table>
<thead>
<tr>
<th>Domain</th>
<th>Overall Rank</th>
<th>Tennessee</th>
<th>United States</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health</strong></td>
<td>26</td>
<td>9.0% 2010</td>
<td>9.2% 2015</td>
</tr>
<tr>
<td><strong>Children Without Health Insurance</strong></td>
<td>BETTER</td>
<td>5% 2010</td>
<td>4% 2015</td>
</tr>
<tr>
<td><strong>Child and Teen Deaths Per 100,000</strong></td>
<td>BETTER</td>
<td>31 2010</td>
<td>30 2015</td>
</tr>
<tr>
<td><strong>Teens Who Abuse Alcohol or Drugs</strong></td>
<td>BETTER</td>
<td>6% 2009-10</td>
<td>5% 2013-14</td>
</tr>
<tr>
<td><strong>Children In Single-Parent Families</strong></td>
<td>SAME</td>
<td>37% 2010</td>
<td>37% 2015</td>
</tr>
<tr>
<td><strong>Children in Families Where the Household Head Lacks a High School Diploma</strong></td>
<td>BETTER</td>
<td>13% 2010</td>
<td>12% 2015</td>
</tr>
<tr>
<td><strong>Children Living in High-Poverty Areas</strong></td>
<td>WORSE</td>
<td>14% 2008-12</td>
<td>15% 2011-15</td>
</tr>
<tr>
<td><strong>Teen Births Per 1,000</strong></td>
<td>BETTER</td>
<td>43 2010</td>
<td>31 2015</td>
</tr>
</tbody>
</table>