Recommendations for Governor Evers

Early Childhood Advisory Council 2024 Report

Dear Governor Evers,

As we enter 2025, the Governor's Early Childhood Advisory Council (ECAC) thanks you for your steadfast leadership on behalf of Wisconsin's children and families. In line with your vision of "what's best for our kids is best for our state," the ECAC submits for your consideration the attached set of 2025-2027 biennial budget recommendations to help Wisconsin's children, families, and economy thrive now and into the future.

These recommendations build on work the ECAC has advanced in prior budget cycles - including budget recommendations shared in 2022 and 2020 – and center around three core priorities:

- Bolstering the early care and education (ECE) workforce by providing a state investment in Child Care Counts and expanding professional development opportunities;
- Increasing supports and services for families through additional investments in Family Resource Centers and Family Foundations Home Visiting; and
- Promoting maternal and child health and well-being by extending postpartum Medicaid coverage for a full year and expanding access to infant and early childhood mental health consultation.

Among these, the ECAC's highest priority is funding Child Care Counts, a necessary and urgent investment to sustain the vital child care infrastructure that Wisconsin's children, parents, and economy need.

Finally, the Council extends its support to initiatives that strengthen collaboration among partners in Wisconsin's early childhood mixed delivery system, including Wisconsin's public schools. In particular, the ECAC supports an increase in special education reimbursement rates. This investment will help ensure that high quality special education is provided to children in early childhood settings as well as in our public schools. The ECAC also supports ongoing efforts to strengthen four-year-old kindergarten (4K) community approaches, which allow Wisconsin children and families to access district-based 4K programs at community sites, including child care and Head Start.

Individually and collectively, these investments prioritize the health and well-being of families and a strong and stable early care and education mixed delivery system, in service of building thriving communities and a stable economy. We thank you for your careful consideration of these recommendations and your continued commitment to all of Wisconsin's children and families.

Sincerely,

DCF Secretary-Designee Jeff Pertl (Co-Chair) DPI State Superintendent Dr. Jill Underly (Co-Chair)

Recommendations to Strengthen Early Childhood Systems in Wisconsin

ECAC 2025-27 Budget Recommendations



Bolster the early care and education (ECE) workforce by funding Child Care Counts and expanding professional development opportunities.

The ECAC recommends the Governor dedicate \$220 million annually in the biennial budget to continue Child Care Counts. This funding is critical for child care programs to recruit and retain early childhood educators, keep classrooms and programs open to care for children, and slow the increase in tuition prices. The ECAC also recommends an investment of \$5 million annually toward ongoing professional development for foundational child care trainings and additional scholarships to build the early educator pipeline for the future.



Increase supports and services for families through additional investments in Family Resource Centers and Family Foundations Home Visiting programs.

The ECAC recommends investing in Family Resource Centers (FRCs) and Family Foundations Home Visiting (FFHV) programs throughout the state. An additional \$5 million annually would give FRCs the financial stability to continue delivering direct family support services and to expand their reach to more families. The ECAC also recommends an investment of \$5 million annually to expand FFHV programs that provide critical parent and family resources.



Promote maternal and child health and well-being by extending postpartum Medicaid coverage for a full year and expanding access to infant and early childhood mental health consultation.

The ECAC recommends investing \$8.37 million of general purpose revenue (GPR) over the biennium to extend Medicaid coverage for postpartum care from the current 60-day policy to 12 months after birth. In addition, the ECAC recommends investing \$5 million annually to expand access to infant and early childhood mental health consultation.

RECOMMENDATION 1:

Bolster the early care and education (ECE) workforce by funding Child Care Counts and expanding professional development opportunities.



High-quality early care and education is a powerful twogeneration strategy. Access to high quality child care enables parents to participate in the workforce; it also provides long-lasting educational, civic, and economic benefits for children. Since 2020, Child Care Counts coupled with professional development has had a tremendous impact on the state's youngest children and families and the communities where they live and work.

Since 2020, the Child Care Counts program has supported more than 400,000 children and 70,000 early educators at more than 5,500 child care providers across the state. Providers have used Child Care Counts funds to cover basic operating expenses, recruit and retain staff, and

slow tuition increases for families. But as federal funding for Child Care Counts comes to a close in 2025, state investment is urgently needed to provide child care programs with the support they need to keep their doors open, to provide families with ongoing access to affordable child care, and to help communities maintain a strong workforce.

In May 2023, Child Care Counts payments to providers were cut in half to stay within the program's budget. This reduction in Child Care Counts funding has forced providers to raise prices to make up for lost revenue. Between May 2022 and December 2023, prices for infant care – the care that is most indemand by Wisconsin families - increased by 11 percent in centers and 14 percent in family child care programs, outpacing the state's overall 4.9 percent inflation rate during the same period¹.

The reduction in Child Care Counts funding has increased staffing shortages, causing providers to close classrooms and turn families away as child care waitlists grow. Wisconsin child care providers report that due to the lack of sufficient staff, there are more than 48,000 children currently on waitlists².

Ending Child Care Counts would make child care harder to find and more difficult for families to afford. This could harm employers looking to recruit and retain employees and communities working to support thriving families. Investing in Child Care Counts allows more children to access high-quality early care and education programs that meet families' needs, which is crucial to helping the state's economy continue to grow.

We recommend that Governor Evers dedicate **\$220 million** annually towards Child Care Counts to continue the program at its original funding level after federal funding expires. In addition, we recommend an investment of **\$5 million** annually towards ongoing professional development, including foundational child care trainings and scholarships to build the early educator pipeline for the future. These investments will expand access to high-quality early care and education programs for Wisconsin's youngest learners and have a multigenerational impact on children, families, communities, and the state's economy.

RECOMMENDATION 2:

Increase supports and services for families through additional investments in Family Resource Centers and Family Foundations Home Visiting

Family Resource Centers (FRCs) and Family Foundations Home Visiting (FFHV) programs are critical to supporting Wisconsin's children and families. They serve as community hubs for family support, offer programs and services that reduce risk factors for child abuse and neglect, improve outcomes such as school readiness and child well-being, and provide referrals to families for more targeted services and supports. Specifically:

Family Resource Centers are community-based, family-focused, and culturally sensitive hubs that provide families with access to resources and programs, usually at no or low cost. The FRCs across Wisconsin provide parents and caregivers with research-based parent education; offer tools and strategies to support healthy child development; and link families with additional community-based resources and concrete supports. FRCs also create a sense of belonging to affirm and strengthen families' cultural, racial, and linguistic identities. Their services and programs are responsive to the specific needs, cultures, and interests of the communities



they serve, ensuring that all families feel valued and supported. In state fiscal year 2024, 25 FRCs across Wisconsin provided evidence-informed parenting programs to 4,060 parents/caregivers and research-based parenting programs to 1,974 parents/caregivers. 8,782 parents/caregivers participated in healthy child development programming³.

Family Foundations Home Visiting (FFHV) Programs offer a voluntary two-generation approach
in which home visiting professionals partner with eligible prenatal persons, parents, and other
caregivers. By meeting families where they are, FFHV demonstrates positive impacts on the
health, safety, and school-readiness of children and overall family well-being. FFHV funds
4 evidence-based models of home visiting that meet the federal Maternal, Infant and Early
Childhood Home Visiting (MIECHV) criteria. Each model has three main intervention activities



conducted in a mutually comfortable space between home visitors and families: 1) assessing family needs, 2) educating and supporting parents, and 3) referring families to needed services in the community. As of 2023, FFHV was available in 40 of 72 counties and 6 of 11 federally recognized tribes⁴.

To ensure Wisconsin families can consistently access these critical supports and resources, we recommend the Governor make an annual \$5 million investment in FRCs and an annual \$5 million in FFHV programs. These programs will help to maintain safe, supportive environments for families to grow, resulting in healthier, more resilient communities across Wisconsin.

RECOMMENDATION 3:

Promote maternal and child health and well-being through extension of postpartum Medicaid coverage and expansion of infant and early childhood mental consultation.

The first five years of life are a crucial time in a child's development. A baby's brain doubles in size in their first year. By age 3, a child's brain grows to about 80% of its adult size, and by age 5, it has grown to 90% of its full size. During these early years, babies and toddlers are rapidly developing brain connections, which are formed through positive experiences and interactions with their caregivers. Because stable and healthy relationships are critical to child development, maternal health directly impacts the health of infants and children - including the ability to care for a child physically, emotionally, and financially⁵.



Related to maternal health, more than half of pregnancy-related deaths occur in the 12-month postpartum period. In addition, significant and persistent disparities exist in pregnancy-related morbidity and mortality; Black and American Indian/Alaska Native individuals are up to five times more likely than White individuals to die from pregnancy-related complications and more likely to have a preventable death. Increasing the length of postpartum care improves continuity of care and reduces disparities in postpartum follow-up care for chronic conditions such as diabetes, hypertension, cardiac conditions, substance use disorder, and depression⁶.

Because maternal and child health are directly connected, the ECAC recommends that Wisconsin invest **\$8.37** million GPR over the next biennium to extend Medicaid coverage from the current 60 days to 12 months of postpartum care. Wisconsin is one of two states in the nation not planning to implement a 12-month extension⁷. Extending Medicaid postpartum coverage helps to ensure all Wisconsin families will have greater access to high-quality health services, supports, and resources to ensure positive maternal and child health outcomes.

In addition, to support health and well-being during the critical early years, the ECAC recommends an investment in infant and early childhood mental health consultation (IECMHC). IECMHC is a preventative strategy that promotes the social and emotional competence and mental health of infants, toddlers, and their caregivers. IECMHC includes coaching for early care educators on how to respond to challenging behaviors, which are on the rise since the COVID-19 public health emergency. IECMHC also can help decrease preschool-age suspension and expulsion, which happens at three times the rate of K-12 suspension and expulsion.

To support stable, healthy, and responsive relationships between our youngest children and their caregivers, the ECAC recommends an annual investment of \$5 million to provide greater access to infant and early childhood mental health consultation across early childhood settings and programs such as child care, home visiting, and Birth to 3 early intervention. By supporting caregivers in various early childhood settings with skills and strategies to promote healthy child development, IECMHC can improve child well-being throughout the state.

Endnotes

- 1. "2024 Market Rate Survey Results," Wisconsin Department of Children and Families, July 2024; 2024 Child Care Market Survey Results, DCF-P-5793.
- 2. "Child Care Supply and Demand Challenges in Wisconsin Final Report," Institute for Research on Poverty, University of Wisconsin-Madison, September 2024; child-care-supply-demand-report-2024.pdf.
- 3. Source: "SFY 2024 Community Investment Report," Child Abuse and Neglect Prevention Board (2024) SFY24CIReport_Final.pdf.
- 4. Wisconsin Department of Children and Families, dcf.wisconsin.gov/cwportal/homevisiting.
- 5. "Wisconsin Office of Children's Mental Health Fact Sheet: Infant and Toddler Mental Health," Wisconsin Office of Children's Mental Health (February 2024) children.wi.gov/Documents/ResearchData/OCMH%20Fact%20Sheet_February%202024_Infant%20and%20Toddler%20Mental%20Health.pdf.
- 6. "State Health Official Letter SHO #21-007 RE: Improving Maternal Health and Extending Postpartum Coverage in Medicaid and the Children's Health Insurance Program (CHIP)," U.S. Department of Health and Human Services Centers for Medicare and Medicaid Services (December 7, 2021) www.medicaid.gov/federal-policy-guidance/downloads/sho21007.pdf.
- 7. "Medicaid Postpartum Coverage Tracker," KFF, December 2024 www.kff.org/medicaid/issue-brief/medicaid-postpartum-coverage-extension-tracker/.