



Virginia's Special Education Regional Tuition Reimbursement Program:

Current Status and Issues for Further Study

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John M. Eisenberg
Assistant Superintendent
Division of Special Education and Student Services
Virginia Department of Education

INTRODUCTION and BACKGROUND

The Virginia General Assembly (GA) first appropriated funds to support Regional Special Education Tuition Reimbursement Programs (RTRPs) in 1977. The GA recognized the potential benefit for regional cooperation and sharing of resources to serve students with low incidence disabilities because of the additional cost of serving such students. Moreover, the GA was aware that the lack of resources in individual local education agencies (LEAs) to serve students with low incidence disabilities sometimes resulted in private day or residential placements and that Virginia state courts had ruled in *Cruse V. Campbell* that full tuition for private placements must be at public expense. The provisions set forth in this new funding stream facilitated Virginia's compliance with Public Law 94-142 (*The Education of Handicapped Students Act of 1973*) which required a free appropriate education for all students with disabilities at public expense and in the least restrictive environment.

LEAs were authorized to form regional programs by meeting the requirements for operating a joint program consistent with the *Board of Education Regulations Governing Jointly Owned and Operated Schools and Jointly Operated Programs* and related *Code of Virginia* provisions. These regulations required that each program be governed by a joint board constituted of a school board member from each participating LEA. Further, one LEA was to serve as the fiscal agent for the program.

The funding for each RTRP was established based on an annual application to the Virginia Department of Education (VDOE), termed a rate package. The rate package established fees for services, including related services, for students identified as having the following disabilities:

- Severe Disabilities
- Emotional Disabilities
- Autism
- Multiple Disabilities

In the ensuing years, the category of "Severe Disabilities" was discontinued and the following categories were added:

- Hearing Impaired
- Deaf/Blindness
- Traumatic Brain Injury

Each rate package was to include:

- a proposed budget based on projected revenues and expenses, and
- a description of the program(s) being offered including the disabilities served.

The rate packages were reviewed by an independent financial management/consulting firm to determine appropriateness of rates submitted.

PURPOSE OF STUDY

The VDOE has not conducted a comprehensive review of the RTRP since its inception in 1977. During the ensuing years, numerous factors have emerged to prompt such a study at this time including:

- Growth in the number of regional programs approved by the VDOE;
- Growth in the annual appropriation to support RTRPs;
- The Virginia General Assembly's passage of the *Comprehensive Services Act*; now called the *Children's Services Act*
- Continuing research on best practices for serving students with disabilities;
- An increasing focus on serving students with disabilities in the least restrictive environment, with particular emphasis on "inclusion" as the preferred service delivery model;
- Growth in some and reduction in others of the original disability categories approved for services under the RTRPs;
- A growing philosophy that special education and related services for students with disabilities should be based upon specific needs and not on disability categories;
- Growth in the number of students reported as having significant support needs; and,
- Growth in the number of LEAs that are interested in joining an existing RTRP or in forming a new one.

Thus, it is important for the VDOE to examine the current status of the RTRPs in light of the above-referenced factors and to determine what, if any, program modifications may enhance Virginia's special education delivery system.

METHODOLOGY AND SCOPE OF STUDY

The study team (See Appendix B) utilized the following data and information sources in the preparation of this report.

- Review of Rate Packages
- Review of December 1, 2014 federal student count
- Annual School Reports submitted by school divisions
- Survey of regional program directors and local directors of LEAs participating in a RTRP (See Appendix C)
- On-site visits to selected RTRPs in follow-up to survey
- Stakeholders meeting of regional directors and local directors to define characteristics of “students with disabilities who have expensive and/or intense support needs”
- Meeting with directors of special education from LEAs that do not participate in a RTRP
- Discussions with VDOE budget and financial staff members
- Review of claims and reimbursements for regional programs 2010-2011 through 2014-2015

CURRENT STATUS OF REGIONAL TUITION REIMBURSEMENT PROGRAMS

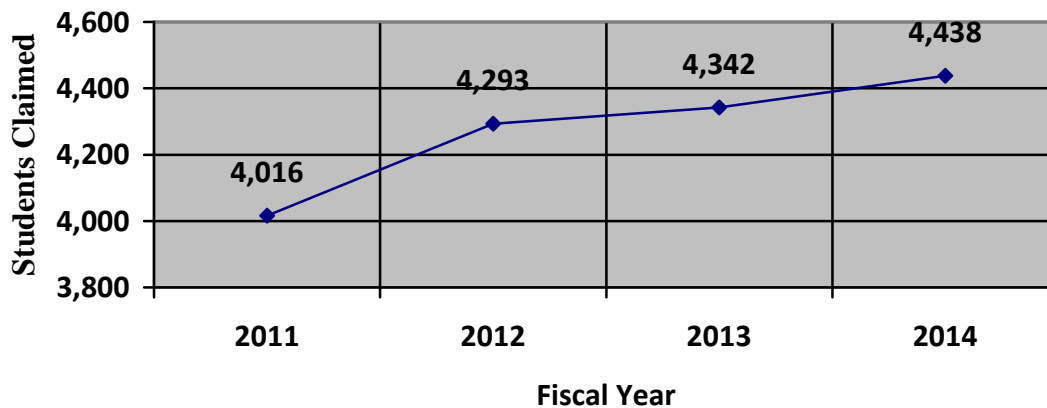
For Fiscal Year 2016 (the 2015 – 2016 academic year), the VDOE recognized and will provide tuition reimbursement funding to eleven (11) entities as Regional Special Education Tuition Reimbursement Programs (see Appendix A for a list of the regional programs including the LEAs participating in each).

For these 11 programs, there are fifty-seven (57) school divisions that utilize the programs to provide special education and related services to three or more of their students. Moreover, there are an additional thirty-four (34) school divisions that utilize the RTRPs to provide special education and related services to only one or two of their students.

Students Served:

- On a statewide basis, 4,438 students out of 162,960 students with disabilities reported on the federal December 1, 2014 student child count are claimed for tuition reimbursement.
 - Thus, 2.7 percent of all students with disabilities in the Commonwealth are served through a RTRP.
 - There are a total of 13 federal reporting disability categories collected in the December 1 child count including: autism, emotional disability, intellectual disability, specific learning disability, speech or language impairment, hearing impaired, blind/visually impaired, deaf-blind, multiple disability, developmental delay, other health impairment, traumatic brain injury, and orthopedic impairment.
 - Only autism (AUT), emotional disability (ED), hearing impaired (HI), deaf-blind (DB), multiple disability (MD), and traumatic brain injury (TBI) can be claimed for RTRP.

Growth in Students Served in RTRPs



- All of the 11 RTRPs serve students with autism, with a total of 2,461 students with autism served.
 - This reflects 14.5 percent of all students identified with autism in the state (17,030).
 - Statewide identification of autism has increased significant over the past five years from 11,703 students in 2010 to 17,030 students in 2015. See appendix G for a five year analysis
- All programs except New Horizons serve students with multiple disabilities for a total of 634 students served.
 - This reflects 20 percent of students with multiple disabilities in the state (3,356).

Other disability categories are served by RTRPs as follows:

- Eight programs (PREP, Roanoke Valley, Northwestern, CCEP, SECEP, Shenandoah Valley, NOVA, and New Horizons) serve students identified with emotional disabilities for a total of 951 served.
 - This reflects 10.4 percent of students identified with emotional disabilities in the state (9,209).
- Five programs (PREP, Roanoke Valley, Shenandoah Valley, NOVA, and Henry County/Martinsville) together serve 168 students with hearing impairments.
 - This reflects 13 percent of all students with hearing impairments in the state (1,475).
- Three programs (Northwestern, Laurel, and Shenandoah Valley) served students with traumatic brain injury for a total of less than 11 students served.

- This reflects 4 percent of students with traumatic brain injury in the state (392).
- One program (Shenandoah Valley) served less than 11 students who are deaf-blind.
 - This reflects 3 percent of the students identified as deaf-blind in the state (32).

Students Served but Not Claimed for Tuition Reimbursement:

- In the 57 participating divisions within the eleven (11) RTRPs, not all students in a reimbursable disability category (AUT, ED, MD, HI, TBI and DB) are claimed for regional tuition reimbursement or served in regional program. A total of 69% of students with corresponding disability categories from these 57 school divisions are served through local programs and are not claimed for regional tuition reimbursement.

Disability Specific Information:

- Students with autism claimed for reimbursement through the RTRPs comprise 25 percent of such students from the participating LEAs.
 - The range is 8 percent (CCEC) to 62 percent (Northern Virginia).
- Within the eleven (11) programs, 46 percent of all students identified as having multiple disabilities in the participating LEAs are claimed for tuition reimbursement.
 - The range across all programs is 29 percent (SECEP) to 78 percent (Henry County/Martinsville).
- 24 percent of students who are identified as emotionally disturbed from participating LEAs are claimed for reimbursement.
 - The range is 8 percent (Roanoke Valley) to 58 percent (Northern Virginia).
- 44 percent of students who are deaf/hard of hearing from LEAs participating in a RTRP are claimed for tuition reimbursement.
 - The range is 22 percent (PREP) to 87 percent (Shenandoah Valley).

SETTING/PLACEMENT: LEAST RESTRICTIVE ENVIRONMENT

Under the *Individuals with Disabilities Education Act* (IDEA), services to children with disabilities can be provided in a range of placement options. These are generally referred to as the Continuum of Placement options, or simply, the Continuum (See Appendix D). Placement decisions are made as part of the Individual Education Program (IEP) process and are specified in the IEP document. For IEP Least Restrictive Environment (LRE)/placement decisions and for federal reporting for school-age students (ages 6-21+), these options include the Regular School Building (which includes the provision of services in a regular education classroom and self-contained special education classrooms), Separate Special Education Facilities, Private Day Programs, Public Residential Facilities, Private Residential Facilities, Homebound, Hospital and Correctional Facilities. For preschool age students (ages 0-5), there are comparable placement options. Federal reporting requirements mandate reporting placement options by age.

For Special Education Regional Programs, all students receiving special education and related services through those programs receive those services in regular school buildings or in separate special education facilities. The following information, taken from the 2014-2015 school year, depicts this two ways:

1. Percentage of students receiving services in special education separate facilities for each Regional Special Education Program for the 2014-2015 school year (December 1, 2014 Child Count) compared to the 2010-2011 school year (December 1, 2010 Child Count).

Program	2010		2014	
	Regular School	% Separate Facility	% Regular School	% Separate School
CCEC	69%	31%	69%	31%
Middle Peninsula	78%	22%	100%	0%
LAUREL	54%	46%	67%	33%
Northwestern	50%	50%	49%	51%
New Horizons	33%	67%	2%	98%
PREP	78%	22%	79%	21%
Shenandoah Valley	100%	0%	100%	0%
Henry County/Martinsville	100%	0%	100%	0%
Northern Virginia	84%	16%	88%	12%
Roanoke Valley	100%	0%	100%	0%
SECEP	70%	30%	77%	23%
TOTALS	74%	26%	75%	25%

- The percentage of children receiving special education and related services through the regional program who receive those services in regular school buildings compared to other students with the same disabilities within the 11 RTRPs that are not claimed for regional tuition reimbursement.

Totals for each of the 11 RTRPs are:

REGIONAL PROGRAM	REGIONAL TOTAL	REGULAR BUILDING TOTAL	REGULAR BUILDING %	NON-REGIONAL TOTAL	REGULAR BUILDING TOTAL	REGULAR BUILDING %
CCEC (SOUTH WEST)	71	49	69%	364	296	81%
HENRY MARTINSVILLE	63	63	100%	115	98	85%
LAUREL	174	116	67%	713	527	74%
MIDDLE PENINSULA	19	19	100%	98	74	76%
ROANOKE VALLEY	206	206	100%	589	412	70%
SHENANDOAH VALLEY	347	347	100%	467	334	72%
SECEP	1,122	855	77%	3,626	3,235	89%
NORTHERN VIRGINIA	1,842	1,630	88%	909	695	76%
PREP	253	202	80%	832	594	71%
NORTHWESTERN	94	47	50%	451	411	91%
NEW HORIZONS	247	6	2%	1,687	1,441	85%
TOTALS	4,438	3,570	75 %	9,851	8,117	85 %

- 75 percent of the children receiving special education and related services through the special education regional programs and claimed for reimbursement receive those services in regular school buildings.
- For the purpose of comparison, for other students with the same disabilities that are not claimed for regional tuition reimbursement within the 11 RTRPs, a total of 85 percent of the children are served in regular school buildings.

FINANCIAL ANALYSIS

As noted previously, the original purpose of the RTRP was to provide financial support for LEAs to share monetary and instructional resources for students with disabilities who were considered to have low incidence disabilities. The amount of tuition cost that was reimbursed was based on each LEA’s composite index and was provided in lieu of the “excess cost” funding provided to help support non-regional services.

To obtain a sense of the funding differentiation between regional and non-regional support, financial data are reported in two ways.

1. Funding is compared based on all sources: local, state, and federal. For fiscal year 2013-2014 (FY ‘14) the average amount available on a per-pupil basis to students served on a regional basis, from all funding sources was **\$29,097**. The per-pupil amount available from the same funding sources for non-regional services was **\$13,497**, a total that is less than half of what a student with a comparable disability would generate in a regional program.

2. Financial data was analyzed using only state funds made available to localities to help offset the cost of special education. Again for FY ’14, the total amount of state funding for regional tuition assistance was \$75,236,697. Dividing the number of students claimed for tuition reimbursement (4,326) results in a per-pupil amount of **\$17,392**. The total state funding available to support non-regional services was \$465,289,066. This figure, divided by the number of students served on a non-regional basis (154,370), results in per-pupil funding support of **\$3,014**.

Another means of examining the financial data associated with RTRPs is to note the growth in the funds paid out as the state share of tuition reimbursement over the past five years. These totals reflect the tuition reimbursement claims made by school divisions for these years:

Year	Amount	Amount of Increase
2010-2011	\$64,436,343	
2011-2012	\$70,208,260	\$5,771,917
2012-2013	\$74,168,478	\$3,960,218
2013-2014	\$77,040,276	\$2,871,798
2014-2015	\$80,792,037	\$3,751,761
		Total: \$16,355,694

The above data indicate the average growth of \$4.08 million per year paid out over the five years.

FINDINGS

1. The number of students claimed and the overall cost for supporting Regional Tuition Reimbursement Programs has increased annually. The number of students with autism is primarily driving this increase as well as the number of students who need more intensive special education and related services.
2. Submission of the current Tuition Reimbursement Rate Package has evolved so that the information submitted is inconsistent across the RTRPs.
3. Use of RTRP funds may have “drifted” from the original intent of supporting special education instructional costs for students with low incidence disabilities. Examples include:
 - LEAs have claimed capital expenditures that are not direct instructional costs.
 - Salaries of local administrators, other than regional program staff, are partially supported through RTRP funds.
4. A large majority of students (75 percent) claimed for tuition reimbursements are served in regular schools and not in separate special education centers.
5. LEAs that do not participate in RTRPs receive significantly less state financial support than those in RTRPs for serving the same disability groups. More non-participating LEAs are viewing participation in a RTRP as increasing their capacity to provide intense support in the least restrictive environment.
6. Placement options available through RTRPs are viewed as part of the continuum of services required by IDEA. Further, staff members in RTRPs reported that many of the students served in the regional programs would be candidates for private day placements without the option of the regional services.
7. Special Education administrators in LEAs not participating in RTRPs indicated that accessing regional funds would greatly enhance capacity to provide professional development and to “cost-share” difficult-to-staff positions such as Board Certified Behavior Analysts and mental health providers.
8. Some students with reimbursable disabilities appear to be claimed for reimbursement for the purpose of generating additional support (i.e., these students are served in their respective home schools with no evidence of additional regional services).

ISSUES FOR FURTHER STUDY

1. The VDOE should consider modifying the current rate package requirements and submission process.
2. The VDOE should examine the concept of replacing categorical disability groups (e.g., emotional disabilities) with “students with disabilities who have expensive and/or intense support needs” for future funding.
3. The VDOE should examine ways to provide equitable financial support for all LEAs in serving students with disabilities who have expensive and/or intense support needs. In each proposed new model, VDOE should do a thorough analysis of the potential impact to state and local budgets, staffing requirements, and federal and state special education regulations.
4. The VDOE should explore with LEAs the development of a system to track and report the outcomes of students claimed for Regional Tuition Reimbursement Programs in order to ensure high quality service delivery.

Appendices

Appendix A

Participating School Divisions in Virginia's Regional Tuition Reimbursement Program

Cooperative Centers for Exceptional Students

Carroll County
Grayson County
Smyth County
Washington County
Wythe County
Bristol City
Galax City

Middle Peninsula Regional Special Education Centers

Gloucester County
Middlesex County
West Point (Town)

LAUREL Regional Program

Amherst County
Appomattox County
Bedford County
Campbell County
Charlotte County
Lynchburg City

Northwestern Regional Education Program

Frederick County
Winchester City

New Horizons Regional Education Center

Gloucester County
York County
Hampton City
Newport News City
Williamsburg-James City County
Poquoson City

Henry County/Martinsville Regional Program

Henry County
Martinsville City

Piedmont Regional Education Program

Albemarle County
Culpeper County
Fluvanna County
Greene County
Louisa County
Madison County
Nelson County
Charlottesville City

Shenandoah Valley Regional Program

Augusta County
Page County
Rockingham County
Shenandoah County
Harrisonburg City
Staunton City

Southeastern Cooperative Education Program (SECEP)

Isle of Wight County
Southampton County
Chesapeake City
Franklin City
Norfolk City
Portsmouth City
Suffolk City
Virginia Beach City

Northern Virginia Regional Special Education Program

Prince William County
Spotsylvania County
Manassas City
Manassas Park City

Roanoke Valley Regional Program

Botetourt County
Craig County
Franklin County
Roanoke City
Salem City

Appendix B

Study Team

H. Douglas Cox, Special Education Consultant and Retired Assistant Superintendent for Special Education and Student Services, Virginia Department of Education

Paul J. Raskopf, Special Education Consultant and Retired Director, Office of Data and Finance, Division of Special Education and Student Services, Virginia Department of Education

Judy S. Sorrell, Special Education Consultant and Retired Director, Shenandoah Valley Regional Special Education Program

John M. Eisenberg, Assistant Superintendent for Special Education and Student Services, Virginia Department of Education

Dr. Samantha Hollins, Director of the Office of Special Education Program Improvement, Virginia Department of Education

Tracie Coleman, Special Education Budget and Finance Manager, Virginia Department of Education

Appendix C


**Survey of Regional Program Directors
and Local Directors in Participating School Divisions**

1. Describe your governance structure.
2. Describe the populations served in this regional program.
3. Of those populations, what percentage do they reflect of the divisions' total number of those disabilities?
4. Describe how students are selected to receive services in the regional program.
5. Describe the programs provided in the regional program for the populations you identified. Include descriptions of specific instructional strategies.
6. How are those programs different from other programs in the participating divisions that are not considered to be a part of the regional program?
7. What percentage of students served in the regional program receive services in a regular school building?
8. Describe how these students have access to the general population and general programs.
9. Describe how students receiving services in the regional program participate in the state accountability program.
10. Describe how required state data are reported for students served in the regional program.

Appendix D

Continuum of Services: Least Restrictive to Most Restrictive Settings

Note: Least Restrictive Environment is determined for each child based on their unique needs as found by the Individualized Education Program Team. This chart represents what is considered best practice in terms of least restrictive options. This information is reported annually to the United States Department of Education.

Level	Setting
Least Restrictive  Most Restrictive	<ul style="list-style-type: none"> • Regular school building: regular classroom with accommodations and/or support services
	<ul style="list-style-type: none"> • Regular school building: regular classroom with itinerant services or resource room services (pull-out)
	<ul style="list-style-type: none"> • Regular school building: full-time self-contained special education class
	<ul style="list-style-type: none"> • Full-time self-contained class in a separate public facility
	<ul style="list-style-type: none"> • Private day school
	<ul style="list-style-type: none"> • Home based
	<ul style="list-style-type: none"> • Public or private residential program

**REGIONAL PROGRAM TOTALS FOR REGULAR BUILDING PLACEMENTS
AND SEPARATE CENTER PLACEMENTS WITH PERCENTAGE FOR SEPARATE CENTERS**
Totals are taken from the December 1, 2014 Child Count for all students, school age and preschool (ages 0 – 21 +)

REGIONAL PROGRAM	2014				2013				2012				2011				2010			
	Total	Reg	Sep	% Sep	Total	Reg	Sep	% Sep	Total	Reg	Sep	% Sep	Total	Reg	Sep	% Sep	Total	Reg	Sep	% Sep
COOP (SW)	71	49	22	31	75	55	20	27	81	46	35	43	80	57	23	29	59	41	18	31
MID PENINSULA	19	19	0	0	19	19	0	0	23	20	<11	0	26	21	<11	19	27	21	<11	22
LAUREL	174	116	58	33	170	107	63	37	169	106	63	37	173	111	62	36	138	75	63	46
NREP (NW)	94	47	47	50	101	39	62	61	131	63	68	52	109	52	57	52	117	57	60	51
NEW HORIZONS	247	<11	241	98	234	<11	229	98	248	<11	244	98	246	15	231	94	249	82	167	67
PREP	253	202	51	20	274	220	54	20	289	230	59	20	248	185	63	25	253	197	53	21
SHENANDOAH	347	347	0	0	368	368	0	0	370	370	0	0	340	339	<11	0	318	318	0	0
NOR. VIRGINIA	1,842	1,630	212	12	1,725	1,472	253	15	1,604	1,353	251	16	1,424	1,170	254	18	1,421	1,196	225	16
HENRY/M'VILLE	63	63	0	0	58	58	0	0	58	58	0	0	45	45	0	0	45	45	0	0
ROANOKE	206	206	0	0	197	197	0	0	175	175	0	0	140	140	0	0	138	137	<11	0
SECEP	1,122	855	267	23	1,121	767	354	32	1,145	815	330	29	1,185	858	327	28	1,124	792	332	30
TOTALS	4,438	3,540	898	25	4,342	3,307	1,035	24	4,293	3,240	1,053	25	4,016	2,993	1,023	25	3,889	2,961	925	24



Appendix F

**December 1, 2014 Virginia Child Count for Students with Disabilities
Statewide Totals**

Disability Code	Statewide Total
Autism	17,030
Deaf-Blindness	32
Developmental Delay	11,155
Emotional Disability	9,209
Hearing Impaired	1,475
Intellectual Disability	9,079
Multiple Disability	3,356
Other Health Impairment	31,546
Orthopedic Impairment	771
Specific Learning Disability	53,534
Speech and Language Impairment	24,735
Traumatic Brain Injury	392
Visual Impairment	646
Total	162,960

Statewide Trend of Specific Disability Categories Eligible to be Served in Regional Programs

