

Arizona Special Education Programs and Cost Analysis

Project Overview and Status Update
March 2022



ARIZONA DEPARTMENT
OF EDUCATION



Purpose

- Provide a comprehensive picture of the funding needs for all children with disabilities who receive special education and related services under the Individuals with Disabilities Education Act in the Arizona public education system
- Provide ADE and stakeholders with the necessary data to propose policy changes in the special education funding.

Task One: Special Education Statewide Demographic and Staffing Trend Analysis

Objective/Task: Identify the change in the public education student population from 2009-10 school year to 2018-19 school year to include total change in percentage of public education student population, to include children with a disability or disabilities

Methodology: Evaluate the student level demographic data for 2020 compared to 2010.

Data Source: ADE student demographic data

Population Sample: State-wide to include School Districts and Charter Schools

Objective/Task: Identify the impact of the teacher and related service provider shortage on special education and identify the additional costs associated with special education staffing models compared to the average teacher pay for regular education programs.

Methodology: Evaluate the teacher and related service provider vacancies as of October 2019. Determine the number and cost for filling these vacancies with vendor/contractors.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

3

Task Two: Analysis of Transportation Trend Data and Direct Costs

Objective/Task: Identify the change in special education verses regular education transportation route miles from 2010 to 2019. Compare this trend to total student enrollment trend data.

Methodology: Evaluate the submitted route mileage data for 2020 compared to 2010.

Data Source: ADE Trans55-1 data; total student enrollment data and special education designation data for same period

Population Sample: State-wide to include School Districts and Charter Schools

Objective/Task: Evaluate the actual cost of special education transportation compared to the state funded transportation formula.

Methodology: Identify the route costs compared to the per mileage funding model.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

4

Task Three: Analysis of Out of State and Private Placement

Objective/Task: Identify the cost for out of state and private placement options compared to the funding formula.

Methodology: Evaluate the out of state and private placement costs and compare to the state funding formula.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

5

Task Four: Analysis of ESA Costs as a Component of Statewide SPED Costs

Objective/Task: Determine state-wide ESA cost as a component of the total cost of the ESA program and of overall SPED costs compared to the public education proportionate distribution of State revenues between regular education and special education

Methodology: Aggregate statewide data for ESAs provided for those designated SPED to provide an overall look at how much the ESAs cost for SPED as a component of overall SPED costs.

Data Source: Statewide ESA data

Population Sample: Statewide to include ESA specific data

6

Task Five: Analysis of Special Education Direct Program Costs

Objective/Task: Identify the actual additional costs related to state and locally funded special education services. Determine the total cost for providing public education to special education students in comparison to the funding provided.

Methodology: Evaluate the actual costs for both instructional and related service providers to deliver the instructional program to SPED program. Identify expenditures for students with multiple disabilities. Identify funding formula in comparison to actual costs. Funding sources will include the state funding formula, the federal IDEA funding and any health care system reimbursements (Medicaid in Public Schools program). Financial costs will include the additional salaries, benefits, non-payroll expenditures beyond what would have been expended by the LEA for non-special education programs.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

7

Task Six: Model Design Evaluation and Financial Analysis

Objective/Task: identify the cost and benefits for various models on a continuum of services.

Methodology: Analyze costs and considerations for design and planning for models based on the staffing structures and components involved

Data Source: District survey/data and/or focus Groups with LEA leaders and SPED administrators. Research and input from SPED financing and program design and monitoring experts.

Population Sample: Program Sample of LEAs

** Note – HeinfeldMeech will only be responsible for the financial aspect of the program design and financial analysis of this phase.

8

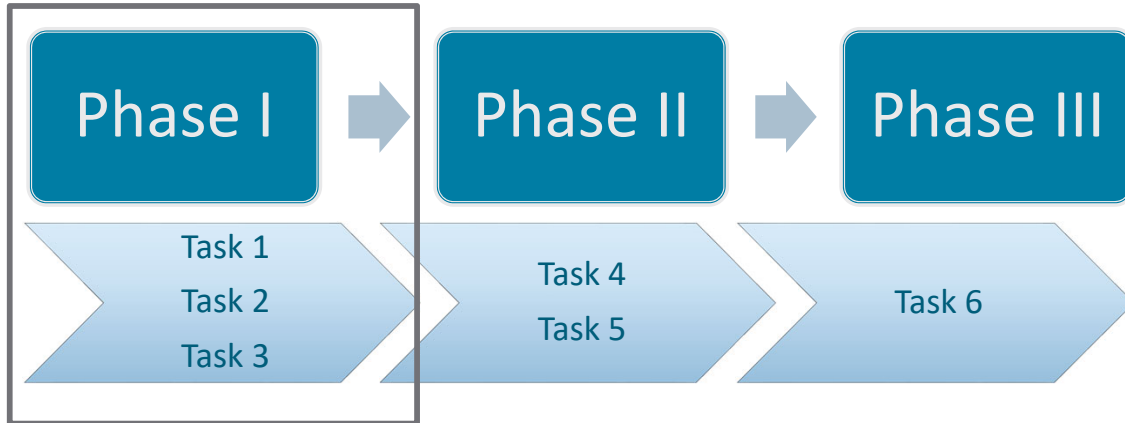
Criteria for LEA Cohort

- Intended to represent a minimum of 20% of the public school special education population
- Inclusive of traditional public school districts and charter schools
- Inclusive of single site charters and LEAs, and larger charter networks
- Represent every county in Arizona
- Representative of urban and rural LEAs
- Representative of Impact Aid students
- Representative of K-8 and K-12 LEAs

LEA Cohort

| LEA Name - Public School Districts | Grades Served | LEA Name - Public Charter Schools | Grades Served |
|--|---------------|---|---------------|
| Amphitheater Unified School District | K-12 | Anthem Preparatory Academy | K-12 |
| Arizona State Schools for the Deaf and Blind | K-12 | Archway Classical Academy Arete | K-8 |
| Casa Grande Elementary School District | K-8 | Archway Classical Academy Chandler | K-8 |
| Chandler Unified School District | K-12 | Archway Classical Academy Cicero | K-8 |
| Chino Unified School District | K-12 | Archway Classical Academy Glendale | K-8 |
| Cottonwood Oak-Creek Unified School District | K-12 | Archway Classical Academy Lincoln | K-8 |
| Crane Elementary School District | K-8 | Archway Classical Academy North Phoenix | K-8 |
| Duncan Unified School District | K-12 | Archway Classical Academy Scottsdale | K-8 |
| Flagstaff Unified School District | K-12 | Archway Classical Academy Trivium East | K-8 |
| Lake Havasu Unified School District | K-12 | Archway Classical Academy Trivium West | K-8 |
| Mesa Unified School District | K-12 | Archway Classical Academy Veritas | K-8 |
| Miami Unified School District | K-12 | Arete Preparatory Academy | K-12 |
| Parker Unified School District | K-12 | Chandler Preparatory Academy | K-12 |
| Phoenix Union High School District | 9-12 | Cicero Preparatory Academy | K-12 |
| Pima Unified School District | K-12 | Edge School Inc. | 9-12 |
| Prescott Unified School District | K-12 | Glendale Preparatory Academy | K-12 |
| Santa Cruz Unified School District | K-12 | Horizon Community Learning Center | K-12 |
| Sierra Vista Unified School District | K-12 | Lincoln Preparatory Academy | K-12 |
| Vail Unified School District | K-12 | Maryvale Preparatory Academy | K-12 |
| Washington Elementary School District | K-8 | North Phoenix Preparatory Academy | K-12 |
| Whitewater Unified School District | K-12 | Scottsdale Preparatory Academy | K-12 |
| | | Trivium Preparatory Academy | K-12 |
| | | Veritas Preparatory Academy | K-12 |

Timeline Review



11

Phase I Outcomes

- Task 1 – Enrollment Change
 - State-wide public education enrollment increased 5% however special education population increased 15% during the same time period
 - Disability categories with largest increases:
 - Developmental Delay
 - Mild Intellectual Disability
 - Other Health Impairment
 - Autism

12

Phase I Outcomes

- Task 1 – Staffing Impact
 - Special Education teachers are paid on average 9% more than regular education teachers
 - Outsourced employees cost a significant more than LEA employees
 - Teacher - \$9,000
 - Occupational Therapist - \$30,000
 - Speech Pathologist - \$23,000

13

Phase I Outcomes

- Task 2 – State-wide Transportation Change
 - Total state-wide transportation decreased
 - Special education miles account for approximately 35%
 - Special education students account for approximately 11%
 - Approximately 20% of special education students are provided specialized transportation services

14

Phase I Outcomes

- Task 2 – LEA Transportation Costs
 - Special Education cost per mile calculated at \$0.02 to \$10.43 per mile more than the state average
 - Special Education cost per mile calculated at \$0.74 to \$11.95 per mile more than the state funding formula
 - Special Education cost per student calculated at \$19 to \$16,590 more per student than the state per rider average

15

Phase I Outcomes

- Task 3 – Private Placement and Residential Treatment Centers Costs
 - Private placement cost exceed the state funding formula by over 82%
 - Students in private placement represented only 2% of the special education students in the LEA sample

16

Phase II Planning

- Task 4 – ESA Cost Analysis
 - Gathering data from ADE for fiscal years 2018 through 2022
- Task 5 – Special Education Direct Program Costs
 - LEAs to gather special education provider time details during April
 - Working with Medicaid billing companies to assist in gathering time details to lessen the impact on LEAs
 - LEAs will provide cost/financial information after close of fiscal year (June 30)

17

Phase III Planning

- Early stages in establishing scope
 - Examine choice points around planning and design of SPED continuum of service and service delivery models
 - Examine choice points around continuum of placement
 - Blending funding streams
 - Examine how LEAs monitor effectiveness of staffing and instructional framework

18

Questions/Discussion



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