

First Steps Funding White Paper

First Steps is Indiana's early intervention program under Part C of the Individuals with Disabilities Education Act. The program serves young children, birth to age 3, with developmental delays and disabilities and their families. As a federal entitlement program, First Steps serves families at all income levels; however, more than half of the families served fall below 250 percent of poverty.

The Ask

The Indiana Family and Social Services Administration is fully supportive of the Division of Disability and Rehabilitative Services in its request for additional funding to sustain the First Steps program.

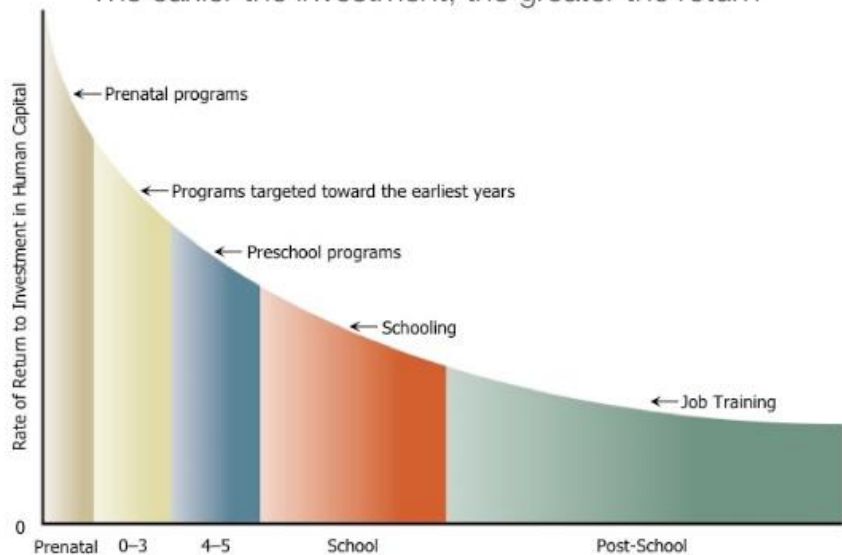
The request in this white paper is to support the First Steps program fiscally in order to proactively improve the lives of young children and their families. Supporting early intervention has a significant return on investment for these families and the state. New research from James Heckman, Nobel Laureate in Economics, indicates a 13 percent return on investment for birth to five programming compared to the 7 to 10 percent return established for preschool investments alone.ⁱ Research indicates that if we invest early by investing in First Steps, we can improve numerous outcomes relating to health, crime, education, and income. Investing in early childhood development is more effective and less costly than addressing problems at a later age. Early childhood is the basis for all community and economic development, as children will become tomorrow's workforce and form the basis of a thriving and sustainable society.ⁱⁱ

The Need

First Steps received 27,952 referrals in 2017. This is an 8 percent increase from 2016 and a 23 percent increase from 2012. The total number of children served in 2017 with an individualized family service plan, or IFSP, was 20,775. The data indicates that not only are referrals increasing, but so is the proportion of children who are eligible for early intervention services.

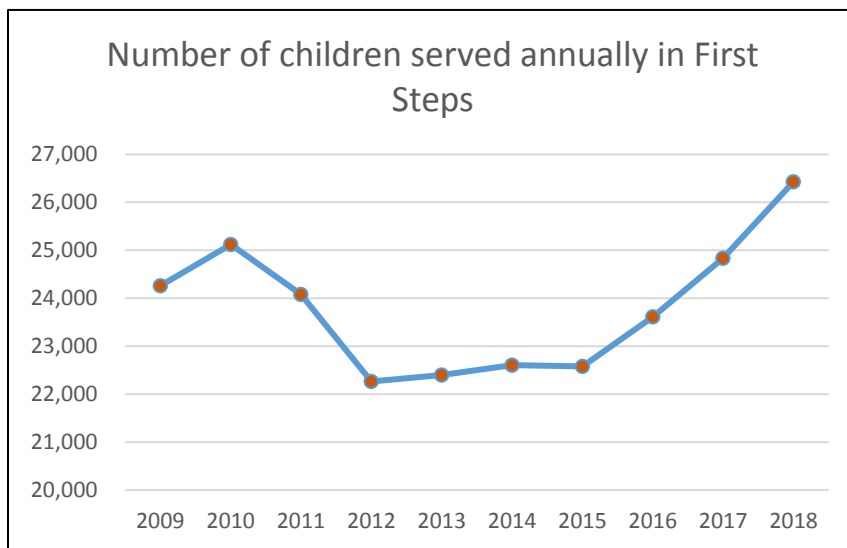
EARLY CHILDHOOD DEVELOPMENT IS A SMART INVESTMENT

The earlier the investment, the greater the return



Source: James Heckman, Nobel Laureate in Economics

In 2017, the Department of Child Services referred 8,000 children to First Steps for developmental screening pursuant to federal requirements under IDEA Part C and CAPTA¹ that mandate the referral of any child who is the subject of a substantiated case of abuse or neglect or who is directly affected by illegal substance abuse. According to the Indiana Youth Institute, the number of children removed from a home by the Department of Child Services as a result of parental substance abuse increased 48 percent between 2015 and 2016.ⁱⁱⁱ Data from the Indiana Supreme Court shows that annual CHINS cases have doubled in the past several years, from 10,665 new filings in 2011 to 20,063 filings in 2016.^{iv} Approximately 1,033 of First Steps referrals in 2017 were a result of documented prenatal substance exposure.



According to the National Institute on Drug Abuse, in the United States a baby is born every 25 minutes suffering from opioid withdrawal.^v We know for certain that the opioid epidemic will continue to increase the number of referrals to First Steps and other early childhood and social service programs in Indiana. Moving forward we will need to gain a better understanding of the impact

of drug exposure on infant development and the ways in which early intervention services can support these children and their families and caregivers. This will also involve ongoing collaboration with other state agencies including the Office of Medicaid Policy and Procedure, Division of Mental Health and Addiction, Department of Health, Department of Child Services, among others, as First Steps cannot and should not be the only available support to this population. However, we know that First Steps must be part of the solution and that funding is needed to support increased demand.

The Indiana Perinatal Quality Improvement Collaborative is leading a pilot project with 27 Indiana hospitals to identify and respond to perinatal substance use. As part of this pilot, 17 percent of umbilical cords have been tested (5,683 cords out of 33,525 births). Preliminary data indicates that 2,206 cords have tested positive for exposure to toxic substances, with 6 percent of cord tests associated with a diagnosis of neonatal abstinence syndrome or NAS. The rate of 2,206 cords testing positive for exposure equates to 39% of all cords tested and 7% of births overall. As a result of this finding, the Collaborative has recommended universal umbilical cord testing to ISDH. There were 83,000 births in Indiana in 2016, and when data from the Perinatal Substance Use pilot is applied, more than 5,800 children would be eligible for First Steps on diagnosis of toxic exposure alone.

¹ Child Abuse Prevention and Treatment Act

Conclusion

In the first three years of a child’s life, more than one million new neural connections form every second. These early years are a time of great opportunity and great vulnerability. A child’s early experiences shape the brain’s architecture to either support a strong or fragile foundation for all future learning, health, and success in the workplace.^{vi}

Environmental influences are extremely powerful because they can actually change the architecture of a developing brain. Research shows that healthy development can be majorly disrupted and negatively impacted by toxic stress, which can have damaging effects on learning, behavior, and health not just in the early years but across the lifespan. Children need resilience in order to buffer the effects of toxic stress, and research shows that at least one stable and responsive relationship with an adult is the most common characteristic among children who develop resilience.^{vii viii ix x}

Strong, positive relationships with adults are the building blocks for a child’s healthy development. First Steps represents a critical and much needed intervention for young children and their families, especially those impacted by the opioid epidemic, to support a strong foundation for these families and the state of Indiana as a whole.

Increased referrals for early intervention services means that First Steps must invest in its workforce to keep pace with demand. This means increasing the number of intake and service coordinators, evaluation and assessment providers, and ongoing service providers, as well as paying them at a rate that is competitive and supports effective recruitment and retention. First Steps must be supported fiscally in order to sustain the program—and the children and families it serves—moving forward.

ⁱ “13% ROI Research Toolkit.” Heckman: The Economics of Human Potential. Retrieved from: <https://heckmanequation.org/resource/13-roi-toolbox/> on July 17, 2018.

ⁱⁱ Navsaria, Dipesh. “Early Experiences Elevate Everything.” First Steps Conference, June 14, 2018, Monroe County Convention Center, Bloomington, IN. Keynote Address.

ⁱⁱⁱ “Opioid Crisis: Indiana’s Hidden Victims,” IYI Issue Brief, October 2017. Indiana Youth Institute. Retrieved from <https://www.iyi.org/data-library/data-services/issue-briefs/opioid-crisis-indianas-hidden-victims> on July 17, 2018.

^{iv} “Indiana Trial Court Statistics by County.” Supreme Court of Indiana. Retrieved from <https://public.courts.in.gov/icor/> on July 17, 2018.

^v “Dramatic increases in maternal opioid use and neonatal abstinence syndrome.” Infographic. National Institute on Drug Abuse. Retrieved from <https://www.drugabuse.gov/related-topics/trends-statistics/infographics/dramatic-increases-in-maternal-opioid-use-neonatal-abstinence-syndrome> on July 17, 2018.

^{vi} “Getting ready for school starts at birth: State of Indiana’s infants and toddlers.” Issue Brief. The Indiana Happy Babies Brain Trust workgroup. ND. Retrieved from <http://www.elacindiana.org/resources/> on July 17, 2018.

vii “Brain Architecture.” Center on the Developing Child at Harvard University,
<https://developingchild.harvard.edu/science/key-concepts/brain-architecture/>. Retrieved July 17, 2018.

viii National Scientific Council on the Developing Child (2006). Early Exposure to Toxic Substances Damages Brain Architecture: Working Paper No. 4. Retrieved from www.developingchild.harvard.edu on July 17, 2018.

ix “Resilience.” Center on the Developing Child at Harvard University,
<https://developingchild.harvard.edu/science/key-concepts/resilience/> Retrieved July 17, 2018.

x “Toxic Stress.” Center on the Developing Child at Harvard University,
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