



EXECUTIVE DEPUTY COMMISSIONER  
(518) 473-8381  
E-mail: beth.berlin@nysed.gov

April 13, 2018

Mr. Michael Smingler  
Assistant Chief Budget Examiner  
Division of the Budget  
State Capitol, Room 140  
Albany, New York 12224

Dear Mr. Smingler:

The Department has enclosed for your consideration its methodology recommendation for the 2018-19 school year reimbursement rates for preschool special education providers.

*Special Class Integrated Setting (SCIS)*

On March 30, 2018, the Department submitted comprehensive recommendations pertaining to an alternative methodology for determining the tuition reimbursement for the SCIS program. Several of these recommendations will be pursued through updated guidance, regulatory amendments, future tuition rate setting methodology recommendations, and Board of Regents legislative and budgetary requests. For the 2018-19 school year, the Department recommends that the Division of the Budget approve the following as part of approved tuition rate setting methodology for SCIS programs:

1. A 6% growth factor applied to tuition rates for SCIS programs;
2. Allow budget-based rates for *initial* SCIS programs to reflect Department developed preschool inclusion staffing standards;
3. Allow flexibility in how maximum funding levels are calculated year to year for SCIS programs; and
4. Limit the offsetting revenue to the amount of actual revenue received by a SCIS program.

*Special Class, Multidisciplinary Evaluation, 1:1 Aide, and Preschool Transportation Rate Increase*

The Department recommends a 3.4% growth factor be applied to tuition rates for Special Class programs, and to the approved rates for the Multidisciplinary Evaluation programs, 1:1 Aide rates, and county transportation rates. This increase is commensurate with the growth provided in school aid for the 2018-19 school year. For the preschool special class program, the Department recommends flexibility in how approved tuition growth is calculated, similar to our recommendation for SCIS programs, and to the approach previously approved for school-age providers' tuition rates.

### *Excessive Teacher Turnover Prevention Grant*

The Department recommends an increase of \$4 million (\$8 million total) for Excessive Teacher Turnover Prevention to be shared among preschool center-based, school-age 853, and Special Act School District providers. The distribution formula used in prior years, based on a comparison of regional average teacher salaries, would continue and be incorporated into 2018-19 tuition rates for new awards. The additional funds would allow the Department to consolidate both preschool and school-age providers into the same single award cycle and allow them to proportionately share the entire \$8 million allocation.

### *Minimum Wage Increase*

The Department anticipates that it will issue a minimum wage survey next month to calculate additional funding that will be added to preschool center-based tuition rates. The additional funding will reimburse salary and related fringe benefit increases attributed to new minimum wage requirements. We thank the Division of the Budget for their efforts in assisting the Department with developing the survey and look forward to its implementation.

### *Interim Plus Rates*

Unfortunately, the Department continues to have a backlog in processing special education tuition rates which prevents us from issuing tuition rates in a timely manner. To ensure that providers receive essential funding at the start of the school year, the Department recommends that “Interim Plus” rates be issued for 2018-19 for preschool center-based providers. These rates would be calculated as a carryforward of a recent year’s certified rate with added funding for minimum wage, Excessive Teacher Turnover Prevention, and applicable approved 2018-19 tuition reimbursement growth.

### *Special Education Itinerant Services (SEIS)*

The Department recommends continuing the regional rate methodology adopted for SEIS in 2015-16<sup>1</sup> with the full phase-in to the following previously approved SEIS individual regional rates:

Region	SEIS Individual Regional Rates
Long Island/New York City	\$46
Hudson Valley	\$40
Capital District	\$36
North Country	\$32
Mohawk Valley/Central/Southern Tier	\$33
Finger Lakes	\$34
Western	\$32

The Department also recommends that the group SEIS rates adopted for 2015-16 continue to be in effect for the 2018-19 reimbursement methodology.

---

<sup>1</sup> As outlined in the methodology memo “Tuition Rate Setting Methodology for 2015-16 Tuition Rates for Preschool Special Education Itinerant Services Providers Serving Preschool Students with Disabilities”  
[http://www.oms.nysed.gov/rsu/Rates\\_Methodology/MethodLetters/CurrentYear/201516/201516MethodologyMemoPreschoolSEIT.pdf](http://www.oms.nysed.gov/rsu/Rates_Methodology/MethodLetters/CurrentYear/201516/201516MethodologyMemoPreschoolSEIT.pdf)

The Department believes that its funding requests reflect necessary and critical investments for preschool special education programs. The preschool years are extremely important for children's social, emotional, physical, cognitive, language and literacy development. Access to high-quality special educational programs and related services is essential for our State's preschool children with special needs and indispensable for addressing the gap in achievement for New York's students with disabilities. We were excited to participate in Governor Cuomo's First 1,000 Days on Medicaid Initiative which reinforced the significance of early experiences and their long-term effects to our education pipeline. We advance our recommendations for increases to preschool special education funding sharing this mindset and urgency.

We look forward to working with the Division of the Budget on the above initiatives. Department staff and I are available to answer any questions you may have and to discuss the initiatives further at your convenience.

Sincerely,

A handwritten signature in dark ink, reading "Elizabeth R. Berlin". The signature is written in a cursive, flowing style.

Elizabeth R. Berlin

Enclosure

c: Christopher Suriano  
Harold Matott  
Suzanne Bolling