December 2009

Dear Members of the General Court:


This report first addresses the Massachusetts State Performance Plan for Special Education (MA-SPP) which details Department goals and annually measures our progress on 20 federally specified indicators that are important to special education. I encourage you to look further at the MA-SPP to see the variety and focus of activities to help us close the achievement gap for students with disabilities. From FFY 2006 to FFY 2007, the graduation rate for students with disabilities in Massachusetts increased from 62.8 percent to 64.1 percent. See graph and more details on page 2.

In addition to graduation rates, I would like to briefly note parent involvement and post school outcomes in our MA-SPP. Each year, approximately 100 districts are required to survey all of their parents of students with disabilities regarding whether or not they believe their child’s school has a generally helpful and welcoming atmosphere. Department stakeholder groups identified three survey statements that they felt were most crucial to the establishment of good parent partnerships. In order of importance (FFY 2007 results) the three items were:

1. My child’s teachers give me enough time and opportunities to discuss my child’s needs and progress – 84 percent agreement;
2. Teachers and administrators encourage me to participate in the decision-making process – 78 percent agreement; and
3. Teachers are available to speak with me – 87 percent agreement.

The post school outcome indicator is the percentage of youth who had IEPs, are no longer in secondary school, and who have been competitively employed, enrolled in some type of postsecondary school, or both, within one year of leaving high school. The FFY 2007 cohort data indicate that, of the 1,380 respondents to the surveys, 93.3 percent have been competitively employed, enrolled in postsecondary education, or both competitively employed and enrolled in postsecondary education, within one year of leaving high school. A potential area of concern is that exiters who dropped out of high school are not adequately represented in the “Post-Secondary Outcomes Survey” data collection because districts had difficulty surveying these students due to the lack of updated contact information. The Department continues to revise data collection protocols and technical assistance to districts in order to contact a higher percentage of students with disabilities who exited high school and further improve the validity of data for this indicator.
Educational collaboratives collectively served 309 member districts, and provided support to nearly 5,500 students with disabilities as well as provided alternative programs to more than 3,000 students in general education. In addition, for a third year, the state legislature provided funds to collaboratives to support the implementation of collaborative-coordinated special education transportation networks. In FY09, the legislature provided $550,000 to expand this cost-savings initiative, increasing the number of collaboratives able to offer this service. This service is designed to transport students to day and residential placements in a more cost-effective manner. A substantial number of educational collaboratives are now involved in inter-collaborative transportation networks that plan and provide special education transportation. In recognition of the success of this project, the Massachusetts Organization of Educational Collaboratives (MOEC) has been awarded a $100,000 grant from the Department in FY10 to continue to coordinate and expand the project. To date, the project has realized an estimated more than $5 million in savings for participating districts.

I would also like to note one additional initiative called Massachusetts FOCUS Academy (MFA) which has allowed us to improve our capacity to deliver on-line professional development in special education across the Commonwealth. It is a federally funded five-year personnel development grant to reach more educators through distance learning professional development via MassOne. In 2008-2009 this grant program offered graduate-level courses to over 200 middle and high school educators. As we move forward and focus technical assistance on struggling schools we have found that most struggling schools have particular issues with improving the performance of their subgroup of students with disabilities. We plan to continue to offer coursework developed through MFA to enhance the ability of educators to instruct and support students with disabilities. This is only one activity showing our integration of accountability and technical assistance, and we are very proud of the results we have seen so far.

I hope you enjoy reading this report. If you have questions, I would be pleased to discuss them with you at your convenience.

Sincerely,

Mitchell D. Chester, Ed.D.
Commissioner of Elementary and Secondary Education
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I. Introduction

This report, the Students with Disabilities Annual Report 2008-2009, is respectfully submitted to the Legislature pursuant to Chapter 159 of the Acts of 2000, Section 432:

“Section 432. The Department of Education shall annually, on or before November 1, report to the General Court on the implementation of the provisions of this act. Such report shall include a description of the progress made by school districts in implementing the federal standard, cost increases or savings in cities or town, the degree of success in providing students with special services within the districts or commonwealth, the extent of the development of educational collaboratives to provide necessary services, the increase or decrease of the number of children served, federal non-compliance issues and other such matters as said Department deems appropriate. Such report shall be filed with the clerks of the House of Representatives and the Senate who shall forward the same to the Joint Committee on Education, Arts and Humanities and the House and Senate Committees on Ways and Means...”

II. Massachusetts State Performance Plan

A focus of 2008-2009 and early 2009-2010 continues to be the implementation of the Massachusetts State Performance Plan (MA SPP), developed in response to federal requirements. The MA SPP is a six-year plan that responds directly to 20 indicators identified by the federal Office of Special Education Programs (OSEP). All states in the nation are responding to these same 20 indicators and are sharing information and best practices. Information on each of these indicators can be found at: (http://www.doe.mass.edu/sped/policy.html). Data for individual districts can be found on the “School and District Profiles/Special Education Data” page at http://profiles.doe.mass.edu/state_report/special_ed.aspx.

To date, progress on the following performance and compliance indicators are reported annually:

| Indicator 1: Graduation Rate | Indicator 12: Early Childhood Transition |
| Indicator 2: Dropout Rate | Indicator 13: Secondary Transition |
| Indicator 3: Assessment | Indicator 14: Post-School Outcomes |
| Indicator 4: Suspension/Expulsion | Indicator 15: ID and Correction of Noncompliance |
| Indicators 5 & 6: Least Restrictive Environment (LRE) | Indicator 16: Complaint Resolution within Timelines |
| Indicator 7: Preschool Outcomes | Indicator 17: Due Process within Timelines |
| Indicator 8: Parent Involvement | Indicator 18: Use of Resolution Sessions |
| Indicators 9 & 10: Disproportionality | Indicator 19: Mediation Agreements |
| Indicator 11: Initial Evaluation within Timelines | Indicator 20: Timely State Reported Data |

The Department engages in a number of activities to obtain broad input from stakeholders on the development of the MA SPP and to solicit input and feedback through a variety of methods. Persons interested in participating in discussions for one or more of the indicator areas have been encouraged to contact the Special Education Planning and Policy Development Office of the Department to join an interest group.
A. State Performance Plan Highlights

The State Performance Plan can be found at http://www.doe.mass.edu.sped/spp/ and provides information on the 20 indicators on which the Department will be reporting detailed data each year. The Annual Performance Report (APR) is due to the federal Office of Special Education Programs by February 1st of each year and generally reflects data of the previous year. Following are the highlights of three indicators for the federal fiscal year (FFY) 2007 (which is our state fiscal year that begins in 2007 and in Massachusetts is called fiscal year 2008):

Indicator 1: Graduation Rate (http://www.doe.mass.edu/sped/spp/full.doc#apr_i1). From FFY 2006 to FFY 2007, the graduation rate for students with disabilities in Massachusetts increased from 62.8 percent to 64.1 percent. Likewise, the graduation rate for students without disabilities increased from 84.9 percent to 85.2 percent, and the overall state graduation rate increased from 80.9 percent to 81.2 percent. Our goal is to close the gap on the graduation rate for students with disabilities as compared to students without disabilities within the next seven years (ten years from the FFY 2005 school year).

Indicator 8: Parent Involvement. Percentage of parents with a child receiving special education services who report that schools facilitated parent involvement as a means of improving services and results for children with disabilities (http://www.doe.mass.edu/sped/spp/full.doc#spp_i8).
Each year, approximately 100 districts are required to survey all of their parents of students with disabilities regarding whether or not they believe their child’s school has a generally helpful and welcoming atmosphere. The state has set a rate of 77.5 percent as a target to show a positive level of parent satisfaction with the school districts. Of the 101 districts participating in this cohort, 60 districts were at or above the state rate. These 60 districts are considered to have parents generally satisfied with schools facilitation of their involvement. This represents an increase in the number of districts exceeding the state rate from the past two survey administrations. Fifty-three districts were at or above the state rate for their cohort in FFY 2005, and 57 districts were at or above the state rate in FFY 2006.

Figure B: Percentage of Parents Who Reported that their Child’s School Facilitated Parent Involvement as a Means of Improving Services and Results for Children with Disabilities

Source: Parent Involvement Surveys from the SPP report

There are 25 questions on the survey that Massachusetts uses. Although all items on the survey are important to consider, Department stakeholder groups identified three survey statements that they felt were most crucial to the establishment of good parent partnerships. In order of importance (FFY 2007 results) the three items were:

4. My child’s teachers give me enough time and opportunities to discuss my child’s needs and progress – 84 percent agreement;
5. Teachers and administrators encourage me to participate in the decision-making process – 78 percent agreement; and
6. Teachers are available to speak with me – 87 percent agreement.
**Indicator 14: Post-School Outcomes.** Percentage of youth who had IEPs, are no longer in secondary school, and who have been competitively employed, enrolled in some type of postsecondary school, or both, within one year of leaving high school. (http://www.doe.mass.edu/sped/spp/full.doc#spp_i14).

The FFY 2007 cohort data indicate that, of the 1,380 respondents (representing 42 percent of the exiting class of students with disabilities) to the “Post-Secondary Outcomes Survey” and “CVTE Graduate One-Year Follow-Up Survey”, 93.3 percent of the respondents have been competitively employed, enrolled in postsecondary education, or both competitively employed and enrolled in postsecondary education, within one year of leaving high school. Four hundred and six (29.4 percent) of the respondents have been competitively employed within one year of leaving high school. 186 students (13.5 percent) have been enrolled in postsecondary education within one year of leaving high school. 696 (50.4 percent) of the respondents have been competitively employed and enrolled in postsecondary education within one year of leaving high school. The 93.3 percent is a slight improvement over the baseline data from FFY 2006 (92.8 percent).

![Figure C: Indicator 14 – Post-School Outcomes Results](image)

<table>
<thead>
<tr>
<th></th>
<th>Number of Respondents who have been competitively employed</th>
<th>Number of Respondents who have been enrolled in postsecondary education</th>
<th>Number of Respondents who have been enrolled in postsecondary education and competitively employed</th>
<th>Percentage of Respondents who have been competitively employed and/or enrolled in postsecondary education</th>
</tr>
</thead>
<tbody>
<tr>
<td>FFY 2006 (Baseline data)</td>
<td>316</td>
<td>177</td>
<td>461</td>
<td>93%</td>
</tr>
<tr>
<td>FFY 2007</td>
<td>406</td>
<td>186</td>
<td>696</td>
<td>93.3%</td>
</tr>
</tbody>
</table>

*Source: Post School Outcomes Survey of the SPP*

However, several exiter subgroups continue to be underrepresented in Indicator 14 data collection. Although this does not affect the overall representativeness of the survey results, this is a potential area of concern. For instance, exiters who dropped out of high school are not adequately represented in the “Post-Secondary Outcomes Survey” data collection because districts had difficulty surveying these students due to the lack of updated contact information. Because districts continue to have difficulty contacting the majority of exiters who drop out, the representativeness of the respondents is affected. The Department continues to revise data collection protocols and technical assistance to districts in order to contact a higher percentage of students with disabilities who exited high school and further improve the validity of data for this indicator.

### III. Statewide Special Education Data

**A. General Statistics**

The Department reports statewide enrollment of students with disabilities based on data collected through its October 1st Student Information Management System (SIMS) collection. In addition
to longitudinal enrollment data, this section provides a general description of how many students with disabilities are being served by the categories of race/ethnicity, gender, and educational environment.

**Longitudinal Enrollment**

The trend over the past few years shows a steady rise in the overall percentage of students with disabilities in Massachusetts in the same time period that the Commonwealth’s total enrollment has declined. Figure D shows changes in the overall count and percentage of students found eligible for special education in the last 10 years. The percentage of students in special education for the school year 2008/2009 is 17.1 percent. There appears to be no one clear reason for this rise in percentage. We would note that the highest percentage of students with disabilities in the last 20 years was 17.3 percent and occurred in 1993.

**Figure D: Number and Percentage of Students with Disabilities 1999-2009**

<table>
<thead>
<tr>
<th>School Year</th>
<th>Total Special Education Enrollment</th>
<th>Total Enrollment</th>
<th>Percentage of Students with Disabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999-00</td>
<td>162,454</td>
<td>978,619</td>
<td>16.60%</td>
</tr>
<tr>
<td>2000-01</td>
<td>160,369</td>
<td>986,017</td>
<td>16.26%</td>
</tr>
<tr>
<td>2001-02</td>
<td>150,003</td>
<td>980,342</td>
<td>15.30%</td>
</tr>
<tr>
<td>2002-03</td>
<td>150,551</td>
<td>993,463</td>
<td>15.15%</td>
</tr>
<tr>
<td>2003-04</td>
<td>154,391</td>
<td>991,478</td>
<td>15.57%</td>
</tr>
<tr>
<td>2004-05</td>
<td>157,108</td>
<td>986,662</td>
<td>15.92%</td>
</tr>
<tr>
<td>2005-06</td>
<td>160,752</td>
<td>983,439</td>
<td>16.35%</td>
</tr>
<tr>
<td>2006-07</td>
<td>163,966</td>
<td>979,851</td>
<td>16.68%</td>
</tr>
<tr>
<td>2007-08</td>
<td>164,298</td>
<td>972,178</td>
<td>16.89%</td>
</tr>
<tr>
<td>2008-09</td>
<td>166,037</td>
<td>970,059</td>
<td>17.12%</td>
</tr>
</tbody>
</table>

*Source: Massachusetts Student Information Management System*

**B. Specific Statistics**

**Count and Percentage of Students with Disabilities by Ages 3-5 and 6-21**

From 2007/2008 to 2008/2009, the number of enrolled students receiving special education in Massachusetts, ages 3-5, has increased by 23.86 percent (from 14,334 to 17,754) although the percentage that these numbers represent (in comparison to the full 3-21 year old group of students with disabilities) is relatively stable (ranging from 8.6 percent to 8.8 percent). This numeric increase can be partially attributable to the improvement efforts in identifying infants and toddlers with disabilities at a younger age.

From 2007/2008 to 2008/2009, the number of enrolled students receiving special education in Massachusetts, ages 6-21, has increased slightly (by 0.88 percent) from 149,963 to 151,283. Although the number of enrolled students with disabilities ages 6-21 in Massachusetts continues to increase, the rate at which it does so appears to be slowing down in comparison to the past 3 years. The analysis from the table (Figure E) shows an increase of 1.06 percent in 2008-09 from the previous school year.
### Figure E: Breakdown of Students with Disabilities by Age Group

<table>
<thead>
<tr>
<th>School Year</th>
<th>Students with Disabilities Ages 3-5</th>
<th>Students with Disabilities Ages 6-21</th>
<th>Total Enrollment Student with Disabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Count</td>
<td>Percent</td>
<td>Count</td>
</tr>
<tr>
<td>2005-06</td>
<td>13,945</td>
<td>8.67%</td>
<td>146,807</td>
</tr>
<tr>
<td>2006-07</td>
<td>14,196</td>
<td>8.69%</td>
<td>149,200</td>
</tr>
<tr>
<td>2007-08</td>
<td>14,334</td>
<td>8.72%</td>
<td>149,963</td>
</tr>
<tr>
<td>2008-09</td>
<td>17,754</td>
<td>8.89%</td>
<td>151,283</td>
</tr>
</tbody>
</table>

Source: Massachusetts Student Information Management System

### Percentage of Students with Disabilities Who Receive Services by Educational Environment

#### Definitions:
- Full Inclusion – at least 80 percent of the time in general education classroom
- Partial Inclusion – 40 percent to 79 percent of the time in general education classroom
- Substantially Separate – less than 40 percent in general education classroom

The percentage of Massachusetts students with disabilities placed in full inclusion environments, ages 6-21, has been steadily increasing for the past four years (Figure F). In contrast, the percentage of students in partial inclusion environments has been decreasing while that of students in substantially separate environments has remained relatively constant. In this age group, students placed in full inclusion environments constitute more than half of all students with disabilities.

### Figure F: Breakdown of Special Education Students, Ages 6-21, By Educational Environment

The above chart compares students, ages 6-21, in full inclusion, partial inclusion, and substantially separate environments for the past four years, as a percentage of all students ages 6-21 who are receiving special education services. Note: Other educational environments are not shown on the chart but are included in the calculations. Source: Massachusetts Student Information Management System
Student Identification by Disability Category

For the fifth consecutive year, the percent of students reported under Specific Learning Disability has been declining (Figure G). In 2008-09, the number of enrolled students with disabilities in this category has decreased by 3.64 percent from the previous year. This is likely attributable to the increased requirements to identify students in this category, which includes a written report by the full Team making this determination. However, given the increase in the number and percentage of students with disabilities lately, we cannot consider that the decrease in this category reflects an actual lower identification rate overall.

In contrast, the percentage of students with disabilities found eligible in both the Health Impairment and Autism Spectrum Disorder categories has continued to increase at steady rates. In 2008-09, Health increased by 9.36 percent while Autism increased by 12.99 percent from the previous year. The increase in the Health Impairment group may be attributed to students with attention deficit hyperactivity disorder or possibly some of the students who would otherwise have been identified under the Specific Learning Disability category. The increase in students with Autism appears to be paralleled nationally and may represent an actual increase in this group of students.

Figure G: Breakdown of Special Education Students, Ages 3-21, by Disability Category – 2006-2009

The above chart compares students ages 3-21 in each disability category for the past three years, as a percentage of all enrolled students receiving special education services. Source: Massachusetts Student Information Management System

Percentage of Students with Disabilities by Other Special Population Status

Over the past four years, the percentages of students with disabilities who are also limited English proficiency (LEP) or low income have shown very mild increases. These increases are not statistically significant.

However, the percentage of students with disabilities who also come from low income families is over one third of all students with disabilities (36.2 percent, 36.9 percent, 37.4 percent and 38.9 percent from 2005-6 to 2008-9, respectively) as compared to the incidence rate in general education of 28.8 percent. This reflects a group of students who already have one disadvantage when coming to school and certainly increases the risk factors for these students in being able to make effective progress.
Although the percentage of students with disabilities who are also LEP (4.6 percent, 4.9 percent, 5.2 percent, and 5.5 percent from 2005-6 to 2008-9, respectively) is lower than those whose first language is not English (FLNE), we note that those whose first language was not English are almost 15 percent of students with disabilities (12.8 percent, 13.3 percent, 13.7 percent and 14 percent from 2005-6 to 2008-9, respectively). This compares to the incidence of 6 percent LEP students in the general population and 15.5 percent of students whose FLNE. There are likely to be language and cultural issues that affect outcomes for all of these students.

**Massachusetts Comprehensive Assessment System (MCAS)**

In 2009, almost 25 percent of students with disabilities scored Proficient or higher at three of seven grade levels tested in English language arts (ELA), at all grades tested in Mathematics except grades 3 and 10, and at all grades tested in Science and Technology/Engineering (STE).

Achievement of students with disabilities improved between 2008 and 2009 at all grade levels tested in ELA except grades 3 and 6; at three of the seven grade levels tested in Mathematics; and at two of the three grades tested in STE (Figure H). Large gains were made in ELA at grades 8 and 10 (four and seven points, respectively), in Mathematics at grade 10 (four points), and in STE at the high school level (three points).

In ELA, the proficiency gap between students with disabilities and all students narrowed by one percentage point at grade 8 and three points at grade 10 between 2008 and 2009; widened by one to three points at grades 3–6; and stayed the same at grade 7. The proficiency gap in Mathematics between students with disabilities and all students narrowed by one point at grades 8 and 10, widened by one to two points at grades 4, 5, and 7, and remained the same at grades 3 and 6. In STE, the proficiency gap between students with disabilities and all students narrowed by one point at grade 8, widened by one point at the high school level, and showed no change at grade 5.

Figure H: Statewide MCAS Results – Students with Disabilities
Change in Performance, 2008 to 2009

<table>
<thead>
<tr>
<th>Grade</th>
<th>2008</th>
<th>2009</th>
<th>Change</th>
<th>2008</th>
<th>2009</th>
<th>Change</th>
<th>2008</th>
<th>2009</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>23</td>
<td>23</td>
<td>0</td>
<td>29</td>
<td>28</td>
<td>-1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>14</td>
<td>16</td>
<td>+2</td>
<td>18</td>
<td>16</td>
<td>-2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>23</td>
<td>24</td>
<td>+1</td>
<td>18</td>
<td>18</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>28</td>
<td>26</td>
<td>-2</td>
<td>18</td>
<td>19</td>
<td>+1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>27</td>
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<td>42</td>
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<td>33</td>
<td>37</td>
<td>+4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Summary of 2009 MCAS State Results

IV. Finances

A. Financial Summary

Special education expenditures are reported by public school districts at the end of the year to the Department of Elementary and Secondary Education. As shown in Figure I, the data indicate that both the total school operating budget and direct special education expenditures have increased over the past six years.

- Increase from 2000-2008: In-district instruction – 54.6 percent
- Increase from 2000-2008: MA Public Schools and Collaboratives – 68.2 percent
- Increase from 2000-2008: MA Private and Out-of-State Schools – 114.2 percent

Overall, direct special education expenditures as a percentage of the total school-operating budget have increased 2.7 percentage points during this time period (16.9 percent in FY00 to 19.6 percent in FY09).

Figure I: Direct Special Education Expenditures (rounded to nearest million), FY00-FY08

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Teaching</td>
<td>Other Instructional</td>
<td>Mass. Public Schools and Collaboratives</td>
<td>Mass. Private and Out-of-State Schools</td>
<td>Combined Special Ed Expenditures (A+B+C+D)</td>
<td>Total School Operating Budget</td>
<td>Special Education % of Budget (E as % of F)</td>
</tr>
<tr>
<td>2000</td>
<td>700</td>
<td>133</td>
<td>126</td>
<td>204</td>
<td>1,163</td>
<td>6,892</td>
<td>16.9</td>
</tr>
<tr>
<td>2001</td>
<td>756</td>
<td>143</td>
<td>140</td>
<td>227</td>
<td>1,265</td>
<td>7,344</td>
<td>17.2</td>
</tr>
<tr>
<td>2002</td>
<td>802</td>
<td>146</td>
<td>158</td>
<td>259</td>
<td>1,366</td>
<td>7,851</td>
<td>17.4</td>
</tr>
<tr>
<td>2003</td>
<td>847</td>
<td>149</td>
<td>164</td>
<td>282</td>
<td>1,442</td>
<td>8,145</td>
<td>17.7</td>
</tr>
<tr>
<td>2004</td>
<td>877</td>
<td>165</td>
<td>182</td>
<td>325</td>
<td>1,549</td>
<td>8,330</td>
<td>18.6</td>
</tr>
<tr>
<td>2005</td>
<td>925</td>
<td>180</td>
<td>184</td>
<td>369</td>
<td>1,657</td>
<td>8,770</td>
<td>18.9</td>
</tr>
<tr>
<td>2006</td>
<td>989</td>
<td>188</td>
<td>194</td>
<td>390</td>
<td>1,762</td>
<td>9,206</td>
<td>19.1</td>
</tr>
<tr>
<td>2007</td>
<td>1,042</td>
<td>195</td>
<td>204</td>
<td>420</td>
<td>1,862</td>
<td>9,614</td>
<td>19.4</td>
</tr>
<tr>
<td>2008</td>
<td>1,092</td>
<td>196</td>
<td>212</td>
<td>437</td>
<td>1,937</td>
<td>9,863</td>
<td>19.6</td>
</tr>
</tbody>
</table>

Source: End of Year Pupil and Financial Report
B. Circuit Breaker

The state “Circuit Breaker” program – a special education reimbursement program enacted by the Legislature [St. 2000 c. 159, § 171] – was first implemented in FY04. The “Circuit Breaker” program’s goal is to provide additional state financial assistance to school districts that have incurred exceptionally high costs in educating individual students with disabilities. The law supports shared costs between the state and the school district when costs rise above a foundation level. Massachusetts state funds are available to reimburse a school district for students with disabilities whose special education costs exceed four times the state average foundation budget per pupil ($33,700). FY09 was the first year in four years that the state was unable to meet the 75 percent statutory maximum and the statute does contemplate less than 75 percent if the appropriation is insufficient. The final FY09 reimbursement rate for the “Circuit Breaker” program was 72 percent.

A total of 294 districts (75 percent) filed 22,212 claims for 11,822 students (students can be involved in multiple claims when moving from one district to another during a school year). The total amount claimed was over $726 million, an increase of more than $39 million from the previous fiscal year. The total amount reimbursed to school districts was over $201 million, an increase of $4 million from FY08.

Claims submitted by districts through the “Circuit Breaker” reimbursement form indicate that students in private residential placements and private day placements both claimed $220 million, followed by in-district placements at $174 million. This is an increase for each placement category. Educational collaborative programs claimed $112 million, representing a decrease of $16 million from FY08. Figure J displays the amount claimed by placement category through “Circuit Breaker” over the past six years. Additional information can be found in the Implementation of the Special Education Reimbursement ("Circuit Breaker") Program annual report, which is located at: http://www.doe.mass.edu/research/reports/legislative.html.

Figure J: Amount Claimed by Placement through Circuit Breaker Over Time

Source: Circuit Breaker Program
C. Municipal Medicaid

Massachusetts cities and towns participate in the Municipal Medicaid program as a means of maximizing federal reimbursement. School districts submit claims for students who are Medicaid eligible and who receive special education services. Federal revenues are returned directly to the municipality that, in turn, can choose to share such revenue with the school districts, in whole or in part.

In FY08, 351 public Massachusetts school districts and charter schools (89.7 percent) participated in the Municipal Medicaid program, filing claims for a total of approximately $110.8 million. This figure represents:

- Direct services claims: $71.5 million
- Administrative Activities claims: $39.3 million

The total amount claimed for Direct Services and Administrative Activities claims was the same as FY07 ($110.8 million). We note that in FY09, additional funds were made available through the ARRA (enhanced “Federal Financial Participation” for the Medicaid program). Three hundred twenty-six (326) districts availed themselves of this option for a total of $10.3 million.

FY08 End of Year financial reporting indicates that of the participating districts, 210 received revenues from their respective municipalities, totaling approximately $78.3 million, as a result of filing Municipal Medicaid claims. While the amount of dollars returned to districts from their municipalities this year was approximately the same as last year, the number of districts reporting no return increased by 42, from 99 in FY07 to 141 in FY08. Eighty-eight (88) school districts reported 100 percent reimbursement from their respective municipalities as compared to 146 districts in FY08.

Figure K: Municipal Medicaid Funding Breakdown, FY08

Source: End of Year Pupil and Financial Report
VI. Educational Collaboratives

During FY09, nearly 5,500 students with disabilities received direct services through educational collaboratives. Special education programs in collaboratives served a full range of students with disabilities. Additionally, over 3,000 general education students received aspects of their education in collaborative-sponsored programs, particularly through alternative school programs. Collaboratives collectively served 309 member districts, had budgets that amounted to nearly $305 million, and employed more than 4,200 staff.

In FY09, 25 collaboratives ran professional development programs for their member districts. These programs ranged from short-term classes, to year-long job-alike groups, to graduate-level courses and educator licensure programs. These programs not only trained individual teachers and administrators but also fostered cross-district resource sharing and efficiencies. Eleven educational collaboratives had partnerships with colleges and universities to provide licensure programs for roles such as general education teacher, special education teacher, special education administrator, principal, and superintendent. In FY09 over 13,000 professional and support personnel participated in collaborative training programs.

For a third year, the state legislature provided funds to collaboratives to support the implementation of collaborative-coordinated special education transportation networks. In FY09, the legislature provided $550,000 to expand this cost-savings initiative, increasing the number of collaboratives able to offer this service. This service is designed to transport students to day and residential placements in a more cost-effective manner. A substantial number of educational collaboratives are now involved in inter-collaborative transportation networks that plan and provide special education transportation. In recognition of the success of this project, the Massachusetts Organization of Educational Collaboratives (MOEC) has been awarded a $100,000 grant from the Department in FY10 to continue to coordinate and expand the project. To date, the project has realized an estimated more than $5 million in savings for participating districts. A copy of the Special Education Transportation Task Force Report is available on the MOEC website: www.moecn.org.

Educational collaboratives continued to provide leadership in cooperative purchasing. Twelve collaboratives purchased fuel, energy, technology, office and classroom supplies, food service, custodial supplies, and athletic equipment for their districts. Through economies-of-scale, school districts received lower prices and achieved significant savings in the purchase of these materials. In FY09, collaboratives estimated that they saved districts $4 million in their energy and technology purchases.

Additionally, collaboratives began to form regional organizations to increase capacity and service to districts. In the MOEC South region, nine educational collaboratives formally organized to form the Southeast Collaborative Regional Organization (SCRO). The SCRO is designed to increase the quality of education in each local school district by creating access to significant combined expertise. It is also designed to build capacity within the 85-member school districts that enroll more than 210,000 students through the sharing of management, instructional, and support personnel.
Educational collaboratives continued to have a presence in policy-making activities. Twelve collaboratives are partners in the newly formed Readiness Centers. In collaboration with the Department, collaboratives will be awarded grants to provide student achievement data analysis services to school districts as part of the newly formed regional District and School Assistance Centers (DSACs).

VII. State and Federal Standards and Compliance

During FY09, the Department’s Program Quality Assurance (PQA) office conducted detailed reviews and selected follow-up onsite visits to 60 public school districts and charter schools, and 18 Department-approved day and residential private special education schools. A full description of the Department’s public and private school Program Review Systems together with recently published reports is available at http://www.doe.mass.edu/pqa/review/.

Also, during FY09, PQA conducted 72 Mid-Cycle Special Education Reviews (63 mid-cycle reviews of public and charter schools, 9 mid-cycle reviews of approved day and residential private schools) for the purpose of verifying the full and effective implementation of corrective action requirements in special education. These onsite activities targeted areas of compliance that had been previously identified by the Department in Coordinated Program Review Reports. These Mid-Cycle Reviews focused on special education program standards adopted by the Board, new federal requirements, as well as verification of the full implementation of corrective action activities implemented in response to complaints.

Additional data and information related to the Department’s dispute resolution systems, state complaint procedures, due process, and mediation procedures with the Bureau of Special Education Appeals, and other compliance information are provided in the SPP under Indicators 15 through 19 and can be viewed in their entirety at: http://www.doe.mass.edu/sped/spp/.