

# Using Fiscal Mapping to Clarify the Landscape of Early Childhood Services: Initial State Lessons

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## IN BRIEF

States and communities use an array of strategies to support the health, development, and well-being of children and families. Although well intentioned, these efforts are often disconnected — supported by multiple agencies and siloed funding sources — making it difficult to track total available resources and determine how funds are invested for a particular population. Multiple and often complex funding streams make it challenging for government agency leaders and community stakeholders to make decisions on how to efficiently leverage financial resources. And, it is equally challenging for families trying to navigate the system and use the services. A fiscal map — an inventory of funds directed toward a particular population, service array, or intervention — is one way to tackle the challenges associated with multiple funding streams. The Center for Health Care Strategies, with support from the Robert Wood Johnson Foundation, assisted the state of Maryland and Hennepin County, Minnesota, in mapping funding sources for early childhood services. This technical assistance brief examines implementation considerations for fiscal mapping from each of these sites to help inform similar mapping activities in additional states and communities. It is accompanied by a how-to guide and customizable data collection tool. While this brief and related resources are geared toward applying the fiscal mapping process to early childhood services, the lessons herein are generalizable to any population.

States and communities across the country use numerous approaches to support the health, development, and well-being of children and families. Addressing these needs, however, can be challenging, especially when a system has multiple and often siloed efforts. Frequently, the desire to address multiple needs for children and their families results in duplicative funding streams and/or gaps in services that create, though well-intended, complicated service systems. While having an array of programs is critical for supporting the healthy development of young children, it can be challenging for policymakers and program administrators to understand the totality of resources available to support children and families.

Having a clear understanding of the landscape of early childhood programs and funding in a given area is important for evaluating whether these investments are addressing the needs of young children and their families and supporting impactful changes. Fiscal mapping offers a systematic way to analyze where funds originate and are allocated, what services or programs they support, and what specific population they serve. Once completed, a fiscal map outlines a financial and programmatic picture, including currently available resources, and highlights potential gaps or duplications in funding. Fiscal mapping serves as a way for policymakers, program administrators, and other stakeholders to better leverage current funding streams to support aligned goals, direct funding to programs that are effective, and potentially create opportunities for innovative payment and program models. This brief is oriented to fiscal

mapping efforts focused on early childhood services, but the process can be used for any population or set of services.

## Medicaid Early Childhood Innovation Lab: Fiscal Mapping Project

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The Center for Health Care Strategies (CHCS), with support from the Robert Wood Johnson Foundation, assisted the state of Maryland and Hennepin County, Minnesota in developing an inventory of funding mechanisms for early childhood services. The inventory included Medicaid, other federal, state, and local public health funding, and other payers of early childhood services, comprising but not limited to: pediatric care, infant mental health, and early child care. The goal was to develop a fiscal mapping process that was easily replicable and adaptable for other states and communities interested in understanding the total funding available for early childhood services or other services that support young children and their families, such as housing and food.

The following steps provide a high-level outline of the fiscal mapping process used:

1. **Define the Scope and Establish Shared Goals.** Define overarching goals and the scope of the fiscal map.
2. **Identify Participants.** Consider who should be involved in the process.
3. **Implement the Data Collection Process.** Bring participants together to identify data. The team should think critically about the funding sources within the defined scope and who has access to that data.
4. **Analyze the Data and Take Action.** Once complete, analyze the fiscal map. Compare the information to the goals defined at the beginning of the process. Once the team has a good understanding of the resources, decisions can be made to support the goals and direct services in ways that may be more effective than current practice.

Through its work with Maryland and Hennepin County, CHCS developed the *Fiscal Mapping for Early Childhood Services: A How-To Guide*.<sup>1</sup> The guide provides detailed, step-by-step guidance and practical templates to facilitate implementation of a fiscal mapping process for early childhood services or any population subset.

## Applying Fiscal Mapping at the State and Community Level

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Both Maryland and Hennepin County are pursuing fiscal mapping activities to identify opportunities for financial resource alignment, explore alternative payment models, and pinpoint gaps in services and supports that could more effectively address early childhood needs. Following are brief case studies outlining their experiences in undertaking fiscal mapping.

## Maryland Case Study

The team from the Office of Innovation, Research and Development within the Office of Health Care Financing in the Maryland Department of Health (Medicaid) was interested in using fiscal mapping to improve its understanding of the financial investment in the Medicaid population from different sectors. Specifically, the team sought to understand where other funding streams support children covered by Medicaid aged 0-5 in ways that impact their overall health and well-being, particularly services related to addressing social determinants of health (SDOH). Additional goals of Maryland’s fiscal mapping process included: (1) identifying ways to align with other fiscal mapping projects within the state; and (2) developing relationships with sectors outside of the Department of Health. The Maryland team also saw fiscal mapping as a useful tool for looking at new payment streams and models. For example, this experience helped inform its applications for new federal models aimed at improving maternal and child health. If chosen, having a complete understanding of the early childhood funding landscape in Maryland may help the team more effectively implement the models.

When considering the scope of its fiscal map, Maryland had to decide whether to focus on funding at the state, county, or city level. Maryland decided to focus on the city of Baltimore due to its large Medicaid population and numerous early childhood programs. As the Maryland team began to work with partners from Baltimore, it discovered that the city already had a fiscal mapping process underway. After discussion with key Baltimore partners, the Maryland team aligned its efforts with Baltimore. The Maryland team continues to work with their Baltimore partners to refine a comprehensive fiscal map for early childhood services. Once complete, the Maryland team plans to use the insights gleaned from the map to inform future policy decisions that recognize SDOH-considerations. Additionally, the team hopes the fiscal map generates a shared understanding among the many stakeholders across different sectors about the available resources at the federal, state, and local level that impact the health and well-being of young children.

*“We are always looking for better ways to communicate and connect across various sectors. Fiscal Mapping is one way to accomplish this.”*

*- Sandra Kick, Senior Manager, Maryland Department of Health, Office of Health Care Financing*

## Hennepin County Case Study

Many types of high-risk families come into contact with Minnesota’s Hennepin County services on a daily basis. Hennepin County’s cross-sector team on the fiscal mapping project, representing public health, human services, education, and health care, recognized the disparities experienced by families in child protection, and that the pervasiveness of poverty is the basis for many of those disparities. Through fiscal mapping, the team sought to uncover information about the services used by families who are served by multiple systems, such as those impacted by incarceration, parental disabilities, and/or mental illness. In the past, Hennepin County largely treated the individual child or parent without taking into consideration the larger family dynamics that impact their lives.

Hennepin’s cross-sector team created a fiscal map focused on Medicaid-eligible children in Hennepin County aged prenatal to five and their families. In particular, the team wanted to apply the fiscal mapping process to assess how it was using a two-generational, holistic approach to support families. The team specifically looked at programs and services operated or funded by Hennepin County. It examined funding from public health, human services, education, and health care both covered and not covered by Medicaid. The questions it sought to answer included:

- What are the main sources of funding across sectors currently supporting early childhood development in Hennepin County?
- What is the approximate total amount of funding going toward programming and interventions supporting early childhood development? What critical gaps and opportunities exist in funding?
- Once the fiscal map is completed, how can Medicaid coverage and funding better support early childhood development in Hennepin County and across Minnesota?

Once the scope was defined, the Hennepin County team used various reports and resources on early childhood and child welfare funding to populate the data collection tool.<sup>2,3</sup> The cross-sector team then engaged data analysts from Hennepin County Public Health to work alongside them to define, gather, and analyze the data.

Hennepin County’s resulting fiscal map represents funding from a variety of sectors, including Hennepin County, public health, human services, education, and child welfare. The work is ongoing, but the plans for next steps include clarifying and refining its findings in order to draw more specific conclusions. The team found that a great deal of funding — including property tax, Medicaid, grants, etc. — is allocated to children aged prenatal to five. It is interested in furthering its fiscal mapping efforts to examine the racial breakdown and utilization rates of the funded services. The continuation of the fiscal mapping work provides an opportunity for Hennepin County to consider how two-generational approaches are being implemented across programs to support children and families.

## Implementation Considerations

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States and communities interested in completing a fiscal map focused on early childhood programs serving Medicaid beneficiaries may learn from Maryland’s and Hennepin County’s experiences. Following are considerations for others interested in replicating this work:

- **Identify the goals of fiscal mapping.** Fiscal mapping is a process that requires time, energy, and resources. Before undertaking the process of collecting information, it is important to know what the assembled team wants to achieve and to have a set of common goals for the process.
- **Capture key data.** Fiscal mapping is a data-driven process. A fiscal map helps to create a total funding inventory by identifying the funding resources from allocation to contracting to expenditures by reviewing resources such as contracts, legislative appropriations, state department budgets, etc.

- **Think strategically about staff resources.** Beyond obtaining the data, those creating a fiscal map should consider staff capacity to analyze the data. It is important to engage individuals who can help policymakers understand the data and who are also familiar with state and community resources, how they are being deployed, and where gaps exist so that they can contextualize the data.
- **Develop cross-sector collaboration through fiscal mapping.** Fiscal mapping can serve as a powerful cross-sector engagement tool. By leveraging existing relationships and identifying new ones, those engaged in the fiscal mapping process can bring stakeholders from a variety of backgrounds together in order to work toward shared goals. States and communities that embark on a fiscal mapping exercise should think about the cross-sector partners who are already at the table. Perhaps even more importantly, leaders should think about agencies, departments, and community-based organizations that are not currently at the table. Relationships play a critical role in the fiscal mapping process and policy decisions that require the engagement of these key partners may be needed once the information is gathered.
- **Establish support from leadership.** Sometimes this work starts because of a leadership decision, which provides crucial support for the effort from the beginning. If not, it is important to consider how to get leadership support in order to keep momentum moving forward. Those in states or communities that are considering creating a fiscal map should recognize the importance of having buy-in from their leadership.

## Conclusion

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Fiscal maps can be used in a variety of ways to inform policy and funding decisions within a state or community. Fiscal mapping provides an understanding of: (1) the resources and provider networks involved; (2) how the funding streams move; and (3) the opportunities for better alignment of the early childhood service system. Having an understanding of what resources are available from a bird’s-eye view can aid decision-making about system design and alignment, which can lead to a responsive and functioning early childhood system. Fiscal maps can be used to:

- Understand the scope of resources available, including overlaps or gaps in services and funding;
- Coordinate similar programs and services for greater impact;
- Identify program or policy changes that support more effective programs and services;
- Identify alternative funding streams and payment models; and
- Advocate for funding where there are gaps.

Fiscal mapping is an important tool and process for leaders, policymakers, and stakeholders that can have far-reaching implications for children and their families. While this brief focused on the early childhood sector, the fiscal mapping process can be applied to any sector that could benefit from an inventory of funding to more effectively direct resources and achieve desirable outcomes.

### Learn More: Fiscal Mapping How-To Guide

For more on fiscal mapping, see the [Fiscal Mapping For Early Childhood: A How-to Guide](#), developed to provide practical guidance for states interested in pursuing a fiscal mapping process. It contains: (1) a step-by-step framework outlining the fiscal mapping process; and (2) [a customizable data collection tool](#) to gather data and document funding streams.

This brief and the how-to guide are products of the [Medicaid Early Childhood Innovation Lab](#), a CHCS program that brought together state Medicaid agencies and regional health systems to promote early childhood development, made possible with support from the Robert Wood Johnson Foundation and the David and Lucile Packard Foundation.

### ABOUT THE CENTER FOR HEALTH CARE STRATEGIES

The Center for Health Care Strategies (CHCS) is a nonprofit policy center dedicated to improving the health of low-income Americans. It works with state and federal agencies, health plans, providers, and community-based organizations to develop innovative programs that better serve people with complex and high-cost health care needs. For more information, visit [www.chcs.org](http://www.chcs.org).

## ENDNOTES

<sup>1</sup> Center for Health Care Strategies. “Fiscal Mapping for Early Childhood Services: A How-To Guide.” August 2019. Available at: <https://www.chcs.org/resource/fiscal-mapping-for-early-childhood-services-how-to-guide-and-data-collection-tool/>

<sup>2</sup> Referenced materials included: High-Risk Families and Children in Hennepin Health Project Recommendations Report, Hennepin Health Reinvestment Project (June 2018); Early Childhood Programs 2018 Evaluation Report, Minnesota Office of the Legislative Auditor (April 2018), <https://www.auditor.leg.state.mn.us/ped/pedrep/earlychildhood.pdf>; Child Welfare Inventory and Benefit-Cost Analysis, Minnesota Office of Management and Budget (April 2018), <https://mn.gov/mmb-stat/results-first/child-welfare-report.pdf>; Children’s Mental Health Inventory and Benefit-Cost Analysis, Minnesota Office of Management and Budget (January 2019), <https://mn.gov/mmb-stat/results-first/cmh-report.pdf>.

<sup>3</sup> Center for Health Care Strategies, op. cit.