



Date: February 15, 2025

Source of Report: Title 20-A §7209

Topic: Annual report on the operations of Child Development Services

Context

Public Law 2023, Chapter 643, Part W (Part W) enacted sweeping structural changes to how the State of Maine serves its children with disabilities from age 3-5. Governed by the federal Individuals with Disabilities Education Act (IDEA), Part B, Chapter 619, these special education services had long been the responsibility of a quasi-governmental agency, Child Development Services (CDS). With the enactment of this law, the Department of Education (DOE) and CDS have begun the multi-year transition of the free, appropriate, public education (FAPE) and child find services from CDS to school administrative units (SAUs).

As such, the operations and actions of CDS have changed in tandem with the transition of FAPE for children with disabilities from age 3-5, which requires different metrics for reporting. As recommended in the DOE's report to the Legislature on March 1, 2025, on this topic, this report will address the metrics identified as most important for reporting.

Actions

- 1) *Actual expenditures compared to the budget for each of the last 3 fiscal years, by expense type and function, including salaries, benefits, contracted services, and transportation: direct services and administration:*

Statement of Revenues & Expendi	Budget FY2025	Actuals FY2025	Budget FY2024	Actuals FY2024	Budget FY2023	Actuals FY2023
Agency All						
Case Management/Child Find	10,660,829	9,056,769	11,914,935	10,586,661	10,336,526	11,265,601
CM/CF Travel	41,886	123,767	84,444	41,926	84,444	37,301
CM/CF Total	10,702,715	9,180,535	11,999,379	10,628,587	10,420,970	11,302,902
Direct Services Payroll						
SI Salary & Benefits	11,915,164	9,636,396	10,314,241	8,652,919	10,900,000	10,166,048
Social Work/Psych/Nursing Sal/Ben	958,656	1,185,272	493,246	528,530	350,394	536,934
BCBA Salaries/Benefits	-	-	185,817	235,243	120,000	131,248
PT Salary & Benefits	834,972	884,298	945,907	732,368	868,040	728,502
ST Salary & Benefits	2,515,458	1,939,411	2,979,832	1,983,355	2,450,028	2,262,143
DT Salary & Benefits	2,330,976	2,356,879	2,676,164	2,437,314	2,332,325	2,683,275
SLP Salary & Benefits	-	-	-	-	-	-
Salaries Expense	-	-	-	-	-	-
Total Direct Services Payroll	18,615,227	16,002,257	17,595,207	14,569,789	17,020,787	16,568,210
Direct Services Expenses						
Early Childhood Tuition	462,347	288,170	431,000	6,262,347	431,000	363,378
Special Instruction Evals	717	196,363	122,652	211,269	91,703	155,089
Special Instruction	2,456,170	15,360,197	8,067,949	9,732,295	5,946,323	7,335,044
LRE Space	-	-	-	-	-	-
MeCare Premiums	-	-	-	-	-	-
Social Work Evals	-	-	3,771	-	3,771	132
Social Work Therapy	-	13,808	69,453	58,860	69,453	45,214
Psychological Evals	-	1,362,937	1,322,561	1,193,589	879,362	1,157,916
Psych Therapy	17,824	25,525	3,172	17,824	2,538	7,400
PT Evals	-	106,423	73,908	118,195	54,344	103,497
Physical Therapy	-	420,673	336,102	440,897	268,882	431,856
Speech Evals	220,934	1,340,503	1,128,377	1,206,763	902,702	1,112,670
Speech Therapy	1,079	6,885,831	7,002,801	6,423,249	5,284,781	5,574,341
OT Evals	527	434,914	134,880	341,405	107,904	241,531
OT Therapy	-	2,536,956	910,290	2,048,609	647,858	1,589,249
Audio Evals	-	66,513	92,134	78,823	68,247	81,669
Eye Evals	-	-	-	-	-	116
Medical/Nutrition Evals	-	-	-	-	-	-
All Other Evals	-	39,570	8,319	1,921	-	8,319
All Other Therapies	52,224	390,227	492,812	460,787	365,046	470,456
Team Meeting	1,018,811	840,957	950,726	1,005,655	699,064	913,947
Direct Support-Building Costs	8,578,386	1,328,219	1,362,032	1,417,087	1,129,001	1,362,032
Direct Support-Facilities	-	-	-	-	-	77
Staff Travel Direct Support	3,138	218,721	524,763	489,805	388,713	478,042
Child Transportation	935,466	812,417	760,358	935,466	760,358	792,313
Provider Transportation	1,371,384	1,438,610	1,461,814	1,371,466	1,082,825	1,132,030
Commercial Transportation	-	1,063,087	1,774,903	865,049	1,774,903	1,151,440
Instructional Supplies	155,429	752,539	103,112	165,948	75,818	92,792
Screening Supplies	-	12,240	92,706	34,048	92,706	48,068
Assistive Technology	35,556	42,293	55,149	36,829	55,149	108,108
ARP Expenses DS	-	-	-	-	600,000	561,650
Contract Admin/Monitoring DS	-	-	-	-	-	-
Total Direct Services Expenses	15,309,994	36,037,694	27,285,744	34,918,186	21,782,451	25,318,376
Total Direct Service	44,627,936	61,220,486	56,880,330	60,116,562	49,224,208	53,189,488

Admin Payroll						
Site Director Salaries & Benefits	-	298,291	914,915	770,001	793,735	879,333
All Admin Salaries & Benefits	6,918,541	4,939,165	3,652,170	4,204,932	3,849,639	4,175,664
Total Admin Payroll	6,918,541	5,237,456	4,567,085	4,974,933	4,643,374	5,054,997
Admin Expenses						
Contract Admin/Monitoring	20,838,836	1,588,678	1,080,534	3,791,429	850,000	847,948
Staff Training	338,707	247,174	248,709	(52,442)	212,115	79,695
Legal/Audit/Fiscal	215,421	131,668	210,113	215,076	210,113	207,531
Office Cleaning	3,299	178,920	208,692	179,475	160,000	208,692
Repairs & Maintenance	285,908	47,832	300,338	47,601	350,000	33,296
Rent	1,442,103	166,270	171,527	99,717	121,866	102,478
Equipment Rental	62,996	76,198	69,692	64,267	69,507	67,246
All Insurance	310,476	412,380	90,000	311,046	90,000	64,229
Postage	77,118	82,712	65,590	77,118	62,857	65,590
Telephone	208,660	278,958	245,751	213,295	225,000	245,751
Advertising	5,402	394	452,000	283,845	52,000	1,020
Staff & Admin Travel	600,557	15,243	498,550	128,544	87,300	140,258
Office Supplies	268,755	174,398	204,621	223,383	202,444	193,971
Equipment Repair & Maintenance	1,249,806	1,301,263	1,158,291	1,504,204	1,031,849	1,044,355
Electric/Heat/Water	94,418	102,828	103,134	108,689	103,134	98,998
Dues & Subscriptions	47,462	19,822	189,977	122,477	189,977	(59,458)
Capital Outlay	-	-	55,000	1,057	55,000	35,738
Payroll Fees	95,229	95,258	89,709	96,280	80,883	97,709
Other	208,381	(8,223)	263,878	(21,963)	13,878	(22,186)
ARP Expenses	-	-	-	-	2,318,273	1,253,204
Cares Act Funding Expenses	-	-	-	-	-	-
Total Admin Expenses	26,353,535	4,911,772	5,706,106	7,393,098	6,486,196	4,706,065
Total Admin	33,272,076	10,149,228	10,273,191	12,368,031	11,129,570	9,761,062
TOTAL EXPENSES	88,602,727	80,550,249	79,152,900	83,113,180	70,774,748	74,253,452
	(11,117,819)	(9,248,407)	(18,198,289)	(9,449,217)	(10,420,974)	(17,836,975)

2) Actual revenues received compared to the budget for each of the last 3 fiscal years by revenue source:

Statement of Revenues & Expendi	Budget FY2025	Actuals FY2025	Budget FY2024	Actuals FY2024	Budget FY2023	Actuals FY2023
Revenue						
State Appropriation	51,622,725	51,622,725	49,830,997	57,834,015	42,491,194	42,490,515
Federal Part B 611	1,780,375	5,093,342	1,730,794	1,229,663	3,384,000	3,982,394
Federal Part B 619	1,032,123	1,032,123	1,032,097	1,032,097	2,063,051	2,202,582
Federal Part C	2,587,723	2,349,072	2,587,723	2,587,723	2,433,483	2,433,483
MaineCare Ins Billing	546,008	1,524,857	648,000	1,067,411	1,388,639	716,730
Private Insurance Billing	33,417	255,669	72,000	140,345	50,000	-
Interest & Misc.	81,361	111,565	3,000	83,559	3,000	114,950
Chapter 676	-	-	-	-	975,000	975,000
Grants - Admin 619	-	-	-	-	1,500,000	-
State Agency Clients	715,411	345,569	600,000	566,181	500,000	615,568
MaineCare Seed	-	-	-	-	-	-
PY & Additional Funding	4,772,797	-	-	478,661	-	-
CRF Reimb.	-	-	-	-	400,000	388,121
IDEA 611 ARP	1,328,154	-	-	-	114,681	114,681
IDEA 619 ARP	1,984,814	-	-	-	13,362	13,362
Part C ARP	-	-	1,200,000	1,218,273	1,218,273	-
CRF Pre K Expansion	-	932,766	1,750,000	883,930	750,000	-
CRF PD Teacher Exp	-	-	-	597,330	700,000	-
A/R Accruals	-	-	-	-	2,363,091	2,363,091
Pathways	-	266,037	1,500,000	-	-	-
Reimbursement	-	-	-	-	-	-
Tuition	-	-	-	-	-	-
Maine Indian Education	-	-	-	-	-	-
Misc. Revenue credits & adjustments	-	292,723	-	-	-	-
Special Purpose Preschool	11,000,000	7,475,395	-	5,944,775	-	-
Total Revenue	77,484,908	71,301,843	60,954,611	73,663,963	60,353,774	56,416,477

3) The total dollar value of MaineCare claims paid through the Department of Health and Human Services for each of the last 3 fiscal years for services provided pursuant to children's individualized education programs or individualized family service plans that were billed directly to the MaineCare program by contracted service providers:

Maine Care Revenue		
FY25	FY24	FY23
\$1,524,857.00	\$1,067,411.00	\$716,730.00

4) The number of children referred to the CDS System in Part C in the prior year by referral source, including the screening programs in Title 22, §1532, §8824, and §8943, and the percentage of children referred found eligible for services:

Federal Fiscal Year 2024 -2025	Age Birth - 5	Age Birth - 2	Age 3 - 5
All Referrals*	7801	3772	4029
Eligibility Evaluation Completed	4760	1865	2895
Number Found Eligible	3947	1452	2495
Percent Evaluated Found Eligible	83%	78%	86%

CDS Program	Age Birth - 5	Age Birth - 2
DHHS - CSHN - Birth Defects Program	134	134
DHHS - CSHN - Newborn Bloodspot Program	33	33
DHHS - CSHN - Newborn Hearing Program	9	9

5) *The number of children who transitioned in the prior year from early intervention services for children from birth to under 3 years of age to special education and related services for children at least 3 years of age and under 6 years of age:*

Total Children Transitioned	Eligible for 619	Not Eligible 619	IEP Implemented
917	659	79	659

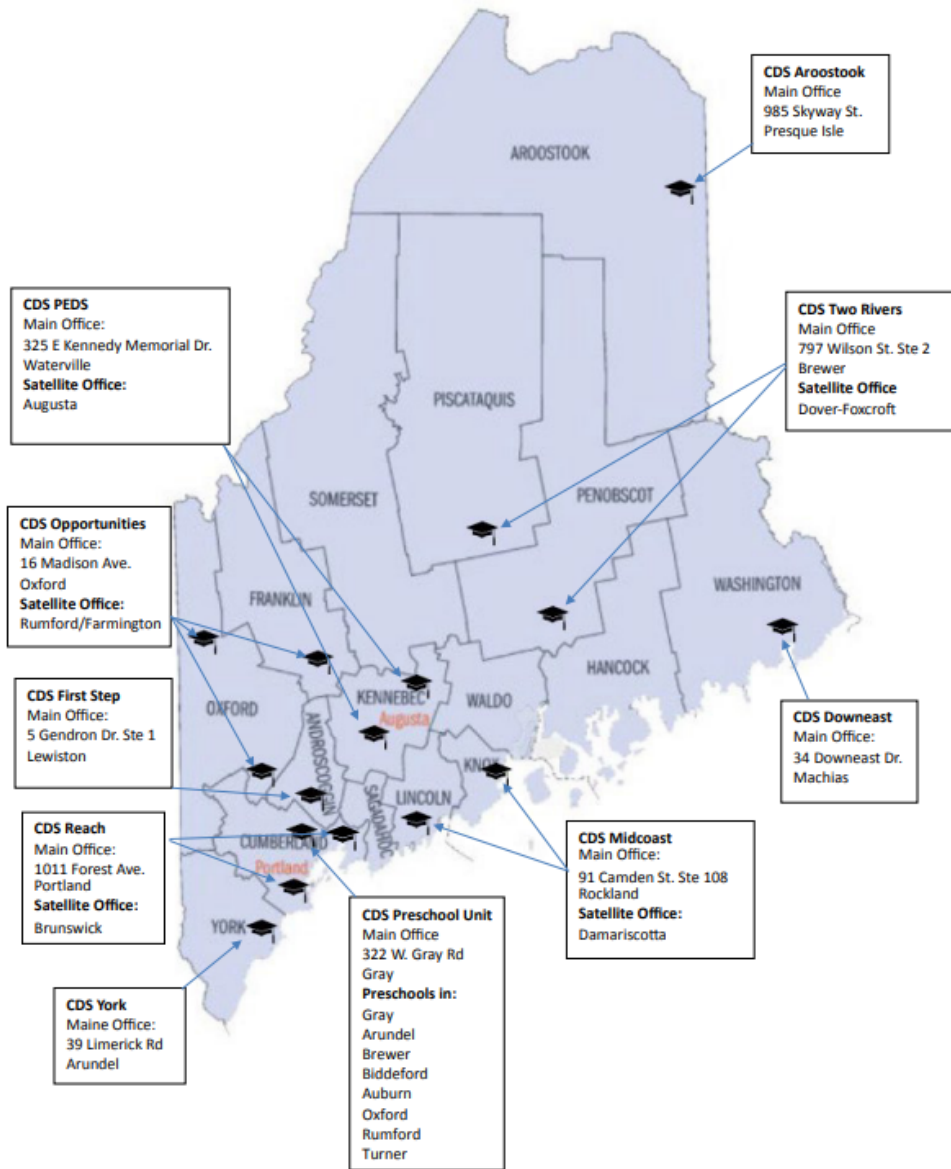
Note: Additionally, 70 Parents Refused CDS Service, 6 moved out of state, 30 parents were unable to be contacted, 44 Exited to school age special ed services, 1 exited to school age regular ed services, 2 exited to Non-public School setting.

6) *The percentage of children who received direct services in the prior year who had MaineCare coverage for all or some of the services specified in their individualized education programs or individualized family service plans and the percentage of children who received direct services in the prior year who had private insurance coverage for all or some of the services specified in their individualized education programs or individualized family service plans:*

Total Part B Children		%	Total Part C Children		%
MaineCare	726	20%	MaineCare	7	1%
Private Insurance	143	4%	Private Insurance	10	1%
CDS	2812	76%	CDS	763	98%

7) *CDS Regional Sites/Support & Service Hubs:*

Prior to the start of the 2025-2026 school year, CDS regional boundaries were realigned to match the Superintendent regions established by the Maine Department of Education. This shift, required by recently enacted legislation, was part of an ongoing effort to improve service delivery, enhance coordination with school administrative units (SAUs), and support the transition of Free Appropriate Public Education (FAPE) responsibilities to local districts.



- Aroostook - 985 Skyway Street, Presque Isle
- Reach – 1011 Forest Avenue, Portland
 - Satellite Office – 29 Burbank Avenue, Suite 2, Brunswick
- First Step – 5 Gendron Drive, Suite 1, Lewiston
- Two Rivers – 797 Wilson Street, Suite 2, Brewer
 - Satellite Office – 125 Summer Street, Dover-Foxcroft
- Midcoast – 91 Camden Street, Suite 108, Rockland
 - Satellite Office – 446 Maine Street, Damariscotta
- Opportunities – 16 Madison Avenue, Oxford
 - Satellite Office – 60 Lowell Street, Suite 6, Rumford
 - Satellite Office – 218 Fairbanks Road, Farmington
- PEDS – 325E Kennedy Memorial Drive, Waterville

- Satellite Office – 161 Capital Avenue, Augusta
- Downeast – 34 Downeast Drive, Machias
- York – 39 Limerick Road, Arundel

CDS Preschools

- Gray
- Arundel
- Brewer
- Biddeford
- Auburn*
- Oxford*
- Rumford
- Turner*

Note: *CDS Classroom is located or will be located within a Cohort 1 or 2 school

8) Total number of employees by function:

Employee Function	Count
Part B	225
Board Cert Behavior Analyst	2
Case Manager-IEP Administrator	35
Case Manager-IEP Coor Lvl I	18
Case Manager-IEP Coor Lvl II	15
Ed Tech I	9
Ed Tech II	5
Ed Tech III	58
Educational Consultant	6
Licensed Clinical Social Worker	1
Occupational Therapist	14
Office Operations Assistant	1
Physical Therapist	3
Physical Therapist Assistant	1
Preschool Operations Manager	1
Speech-Language Pathologist	15
Speech-Language Pathology Asst	2
Teacher of Children w Dis	30
Teacher of Children w-Dis-CM	9
Part B & C	11
Occupational Therapist	2
Office Operations Assistant	2
Physical Therapist	2

School Psychologist	1
Speech-Language Pathologist	3
Teacher of Children w Dis	1
Part C	100
Ed Tech III	8
Licensed Clinical Social Worker	2
Licensed Social Worker	5
Occupational Therapist	12
Physical Therapist	2
Service Coordinator Level I	25
Service Coordinator Level II	15
Speech-Language Pathologist	5
Teacher of Children w Dis	26
Administration	85
Account Manager	1
Accounting Manager	1
Accounts Payable Coordinator	2
Accounts Payable Processor	3
Accts Receivable-Ins Bill Spec	5
Data Manager	1
Data Support System Specialist	1
Dir of Preschool Programming	1
Site Directors	7
Director of Operations	1
Director of Preschool Expansion	1
Distinguished Educator	5
Early Childhood SpecEd Prg Mgr	7
Early Intervention Prog Mgr	7
ECSE Coordinator	2
ECSE Transition Exec Assist	1
Executive Assistant	1
Human Resources Generalist	1
Office Operations Assistant	20
Office Operations Manager	8
Part C State Coordinator	1
Payroll and Benefits Processor	1
Payroll and HR Asst	1
Payroll Processor and HR Asst	1
Preschool Prog Mgr-Curr Coord	3

State Director	1
ESCE Transition Coor-Exec Asst	1
Grand Total	421

9) *The number of private providers that contracted with the Child Development Services system to provide direct services, including transportation services, and the number of contracted providers delivering each type of service in the prior fiscal year:*

Services	Total Providers
OT	281
Psych	46
PT	64
Speech	469
Transportation	32
Ed Techs, Nursing, Nutrition, etc.	561
SDI	674
Grand Total	2127

10) *The number of children who received direct services provided by Child Development Services system employees in the prior fiscal year and the number of children who received direct services provided by contracted private providers in the prior fiscal year:*

	Part B	Part C
CDS Employees	1110	1516
Contracted Providers	3274	781

Note: Children receiving services from CDS employees may also receive services from Contracted Providers.

11) *Current and emerging trends and challenges that are influencing or are expected to have an effect on costs, services or service delivery methods of the CDS system:*

During the second year of the FAPE transition, CDS continues to serve as a primary partner in ensuring that children ages 3–5 who access Early Childhood Special Education receive a free appropriate public education. CDS continues implementing a Support and Service Hub model with Cohort schools, reflecting an expanded role in statewide coordination and capacity-building. A Memoranda of Understanding was established with each participating SAU to clearly define individualized supports and services. To date, approximately 70 percent of Cohort 1 and

Cohort 2 SAUs have partnered with CDS, working collaboratively with CDS and its network providers to strengthen local service delivery and fulfill FAPE responsibilities. This level of coordination between CDS and SAUs is unprecedented and a unique by product of the transition.

Through the Support and Service Hub, CDS delivers targeted supports including Preschool Programming, Related Services, Itinerant 282B services, Case Management, and Professional Development. CDS also developed a standardized Support and Service Hub referral process to streamline access, promote consistency, and support timely service coordination. In addition, CDS provides training and technical assistance, models effective practices, supports direct service provision, and completes required special education documentation and compliance activities.

These responsibilities have been absorbed within CDS's existing staffing structure, demonstrating efficient use of resources, staff expertise, and strong inter-agency collaboration. CDS continues to balance ongoing service delivery with its expanded Support and Service Hub role, strengthening partnerships with SAUs and supporting sustainable systems that improve access to early childhood special education services statewide.

CDS remains committed to supporting this population while navigating statewide, system-level factors that affect service delivery within a limited provider network. Despite ongoing challenges related to workforce capacity, recruitment and retention, and cross-disciplinary staffing needs, CDS continues to prioritize timely access to services aligned with children's educational requirements.

More information regarding the transition of FAPE from CDS to SAUs will be shared in a separate report, as directed in PL 2023, Chapter 643, Part W (LD 2214).

Conclusion

Since the previous Annual Report, CDS has continued to evolve as an organization – both to support SAUs as they take on FAPE responsibilities, and to serve children and families directly through its Early Intervention (Part C) services.

CDS will continue to build out the functionality of the CDS Support and Service Hub model to support SAUs in the provision of early childhood special education services and the transition from Part C to Part B (early intervention to early childhood special education).

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