

Policy Brief

Wisconsin Institute for Law & Liberty



August 30, 2017

Vol. 3 No. 3

Wisconsin Special Needs Children Deserve School Choice

Will Flanders, Ph.D., Research Director

Introduction

There is no question that states and school districts face immense challenges in educating special needs children. These students often require special accommodations, different learning strategies, and higher amounts of teacher attention than non-special needs students.

But while many parents are satisfied with the special needs education from their local public schools, some are not. States all across the country confront this problem by giving parents the ability to use a taxpayer-funded voucher to attend a private school of their choosing. In 2015, Wisconsin passed its own special needs voucher program, the Special Needs Scholarship Program (SNSP) which was designed to help address this issue.

But the SNSP has so many burdensome restrictions and hurdles that the vast majority of parents, like the Henleys, are unable to take advantage of it. This policy brief paints a picture of the current status of special needs students in Wisconsin, examines the extent to which the needs of disabled students

Takeaways:

1. Wisconsin has over 116,000 children that have been diagnosed with some sort of disability. School districts with high rates of poverty tend to have high rates of disabled students. The one-sized-fits-all model of the public schools serves some parents well but not all.
2. Wisconsin ranks 19th among all fifty states and the District of Columbia on test scores for special needs children.
3. Demand for choice exists. Since 2012, on average, about 5,780 special needs students apply for the Open Enrollment Program to attend a public school outside of where they live.
4. Wisconsin's Special Needs Scholarship Program (SNSP), passed in 2015, gives special needs children the chance to attend a private school of their choosing. But, given all the regulations and hoops parents must jump through, it lags far behind other states like Florida and Ohio in number of children who are eligible.
5. **CALL TO ACTION: Wisconsin policymakers should reform the SNSP by: 1) eliminating the requirement that a child must apply for open enrollment, 2) eliminating the requirement that a child attend a public school the year prior, and 3) increase funding for the SNSP so that it better**

are being met in traditional public schools, and the extent to which the SNSP must be reformed in order to give special needs children school choice.

Overview: Special Needs Students in Wisconsin

The Wisconsin Department of Public Instruction (DPI) maintains records on the primary disability diagnosis of students throughout Wisconsin. The scope and severity of these disabilities varies greatly. The table below lists the primary disability of students in Wisconsin, along with their share of all students in Wisconsin public schools.

Table 1. Disability Status in Wisconsin Public Schools¹

Disability	Number of Students	Share of Students
Specific Learning	27,331	3.2%
Speech/Language	27,123	3.1%
Other Health	21,479	2.5%
Emotional Behavioral	11,803	1.4%
Autism	11,686	1.4%
Intellectual	7,492	0.9%
Significant Development Delay	6,589	0.8%
Hearing Impairment	1,667	0.2%
Orthopedic	861	0.1%
Visual Impairment	517	0.1%
Traumatic Brain Injury	337	0.0%
Deaf/Blind	5	0.0%

The most common disabilities have to do with speech and learning. Approximately 6.3% of students in the state have been diagnosed with one of these top two types of disabilities. More than 1% of students in the state have also been diagnosed with emotional or behavioral problems, autism, or other unspecified health concerns.² **Taken together, 116,890 kids in the state have been diagnosed with some sort of disability, representing about 13.4% of the entire student body.**

There is also significant variation in the extent of disability diagnosis between school districts. The table below shows the districts in the state with highest share of student diagnosed with disabilities.

¹ Note that, because students are listed by their primary disability, there is no double-counting of students here.

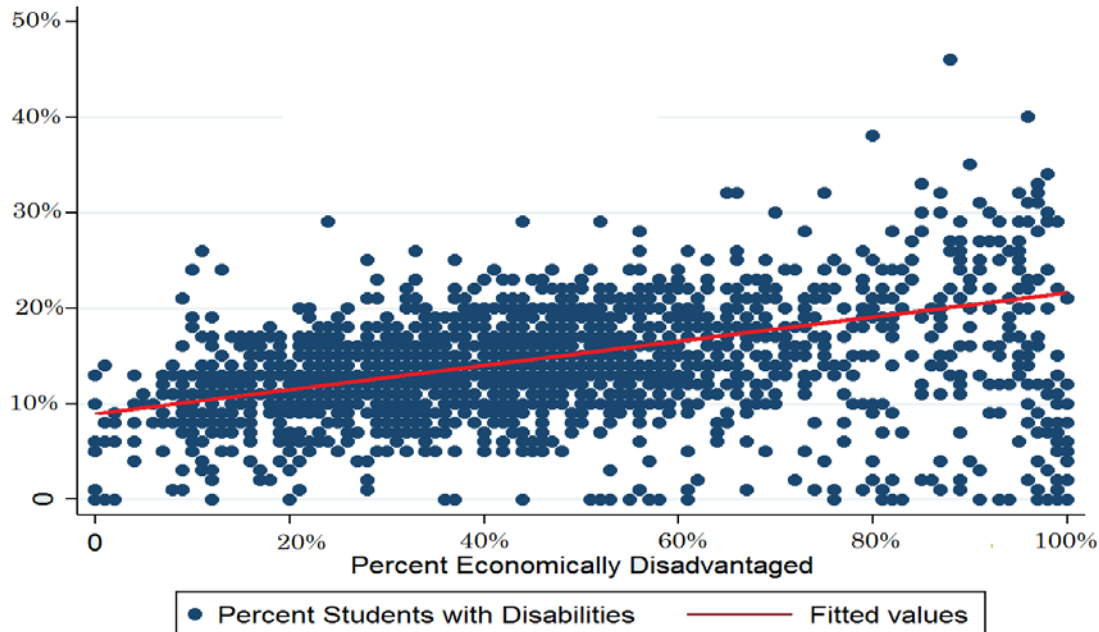
² One may be curious about the small number of students in the “deaf/blind” category. Note that there are also categories for less severe forms of deafness and blindness--“visual impairment,” and “hearing impairment.”

Top 10 Highest Rates of Disability: Wisconsin School Districts

District Name	Number of Students	Share of Students
Norris	8	57.1%
Bayfield	92	24.9%
Bowler	77	23.2%
Lac du Flambeau #1	112	22.4%
Siren	104	21.9%
Menominee Indian	178	21.2%
Gillett	109	20.8%
Boscobel Area	172	20.8%
Adams-Friendship	317	20.4%
Cornell	80	20.4%

A number of traditional school districts have levels of disability diagnosis significantly above the state average of 13.4%.³ These districts tend to have high levels of poverty and are primarily rural. Indeed, poverty is the biggest explanatory factor in rates of disability. Figure 1 below plots the relationship between the share of families in that are economically disadvantaged with the share of students who are diagnosed with a disability in each public school in Wisconsin.⁴ **One can see clearly that, as rates of school poverty increase, rates of disability tend to do so concurrently.**

Rate of Student Disability and Rate of Economically Disadvantaged Students



³ The Norris School District is an outlier on this list. This is a small school district focused specifically on the needs of students with an array of emotional and behavioral problems.

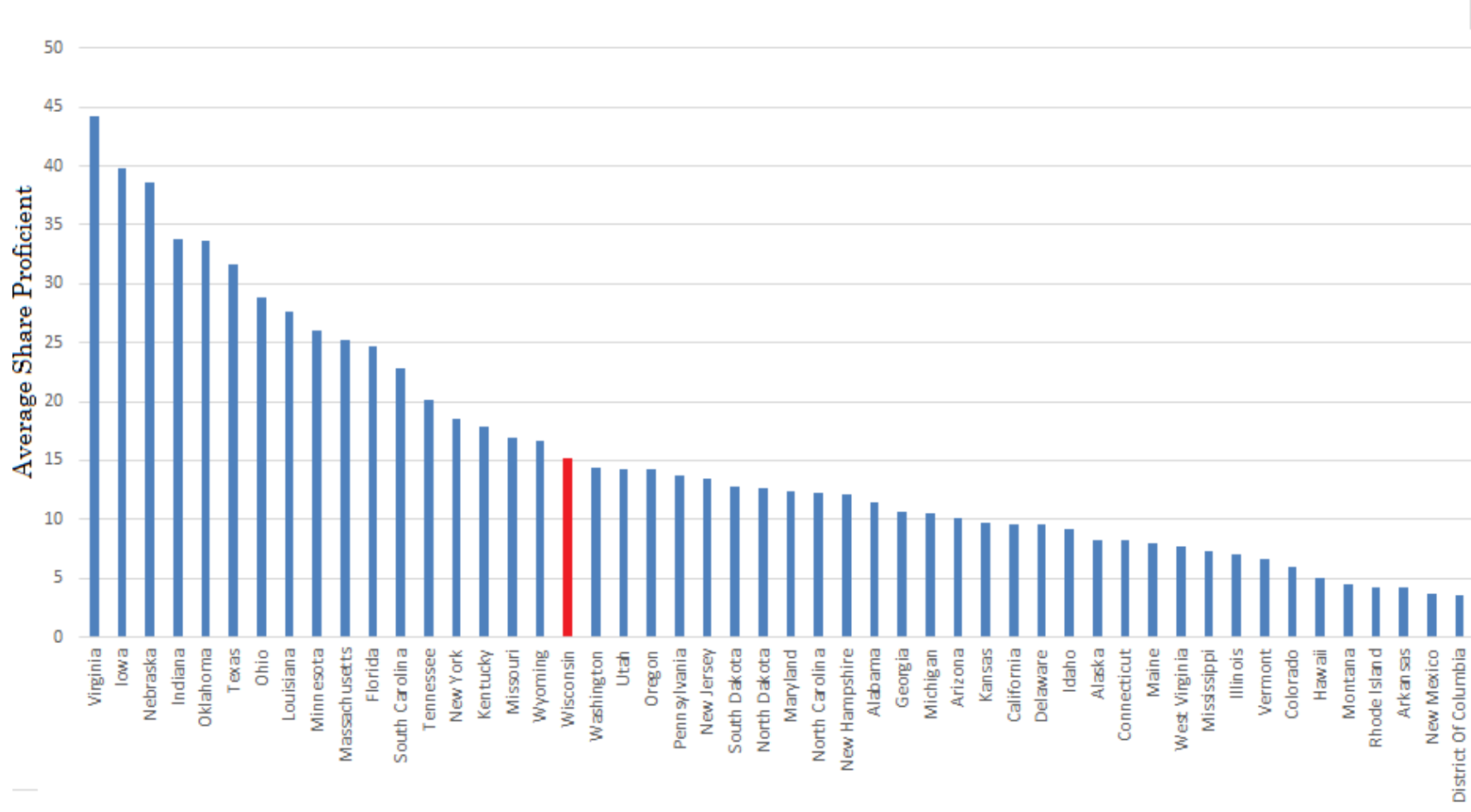
⁴ While this chart is simply the correlation between two variables, the relationship remains in multiple regression with pertinent controls.

Performance of Special Needs Students

Finding appropriate measures of the performance of students with special needs is challenging. To expect the performance of disabled students to be on par with their non-disabled peers would be an unfair assessment of the current system. In order to overcome this problem, we gathered data on the performance of students with disabilities in Wisconsin on state exams relative to the performance of similar students in other states.⁵

As the chart below shows, **Wisconsin is decidedly mid-pack; ranking 19th among all fifty states and the District of Columbia when it comes to educating special needs children.** The average proficiency among states is 15.91%. Wisconsin's average proficiency is quite similar at 15.2%. Several nearby states have substantially higher proficiency rates. Indiana (33.7%), Iowa (39.85%), Ohio (28.82%), and Minnesota (25.98%) all exceed both Wisconsin's average proficiency and the national average.

⁵ This data is collected by the United States Department of Education (ED). The ED requires states to provide information on proficiency on state exams for students who are served under Part B of the Individuals with Disabilities Act (IDEA). It should be noted that this is an imperfect measure, as state exams are not the same across state lines. Thus, this data should be taken as informational but not definitive. The most recent year for which data was available was the 2014-15 school year. Proficiency rates from grades 3-8 and high school were average at the state level and then compared.





While Wisconsin does not rank at the bottom in terms of proficiency for disabled students, there is evidence the families of Wisconsin's disabled students are not entirely satisfied with the options available to them in their home school districts.

Wisconsin's Open Enrollment Program gives parents the ability to apply to attend a public school outside of their neighborhood school. **Since 2012, on average, about 5,780 special needs students apply for the Open Enrollment Program.**⁶ This proves that there is some dissatisfaction with the way local public schools educate children with special needs. The numbers are presented in the chart below show special needs student applications for open enrollment for the past four years.

Applications for Open Enrollment for Special Needs Students, 2012-2016

School Year	2012-13	2013-14	2014-15	2015-16
Number of Applications	6,277	5,822	5,757	5,279

Wisconsin's Special Needs Scholarship Program (SNSP)

The Wisconsin SNSP was modified in 2016 after initial passage as part of the 2015 budget. Under the SNSP, students with an IEP from a public school can receive a voucher of \$12,000 to attend a participating private school. The 2016-17 school year was the first year that families could fully take advantage of the program. **In that year, 26 schools participated along with 235 students (DPI SNSP Facts and Figures).** While the participation in the program by schools and students was encouraging to many observers given the severe red tape placed on it, these limitations do appear to be stifling growth.

Currently, students are only eligible for the SNSP if they have applied for Wisconsin's Open Enrollment Program and been denied. This rule for the program is particularly deleterious to special needs children, as many may not have a nearby school alternative that meets their needs any better than their home district. Moreover, this requirement may create unnecessary headaches for public schools as parents systematically attempt enrollment in school districts from which they are likely to be rejected. Furthermore, students must have attended public schools the year prior in order to be eligible for the SNSP.⁷ Using the best estimates of the number of students in the Milwaukee Parental Choice Program with a disability, this eliminates between 2,031 and 3,902 students from participation (Wolf, Witte and Fleming 2012)⁸.

⁶ DPI Open Enrollment data

⁷ The SNSP exempted students from this requirement for the first year.

⁸ Figures represent the rate of disabilities identified in the referenced paper times the current enrollment of the MPCP.



Because of all the regulatory burdens, the SNSP struggles to match-up with the leading special needs voucher programs in other states. Consider:

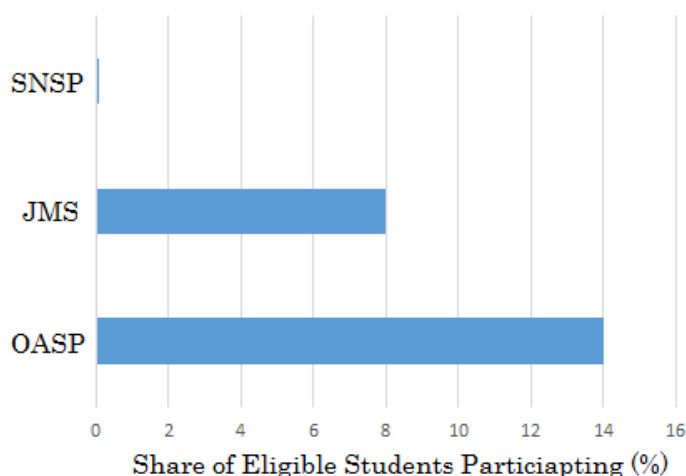
Florida's McKay Scholarship (JMS) is the nation's first school voucher specifically designed for students with special needs. Since its establishment with 2 participating students in 2000, the program has grown to include **nearly 31,000 students throughout the state of Florida by 2017**, the largest voucher program in the United States. Critically, the voucher amount is set at the same amount the district would have spent on those students if they remained in public school. **Approximately 8% of eligible students throughout the state participate** (EdChoice 2017).

Not only is the JMS popular, there is evidence that is working to improve the performance of Florida's disabled kids. One of the most comprehensive analyses of the program examined the relationship between access to the McKay scholarship and the achievement of students with disabilities (Greene and Winter 2008). They found that greater exposure to McKay scholarship, measured by the number of schools accepting the scholarship in located near a public school, led a statistically and substantively significant increase in math and reading scores.

The Ohio Autism Scholarship Program is focused specifically on students who have been diagnosed with autism in the state of Ohio, but the program is impressive in that it presents few barriers to entry. The program is open to students between the ages of 3 and 21 who have been diagnosed with autism and are enrolled in a public school special education program. **Since its beginning in 2004, the program has grown from 70 students to more than 3,300. Perhaps thanks to the liberalness of eligibility rules, 14% of eligible students participate in the state** (EdChoice 2017).

The figure below compares participation rates in the OASP and the JMS with participation in the SNSP in Wisconsin.

Participation Rates, Selected Special Needs Scholarship Programs



The chart above makes clear that participation rates in Wisconsin are significantly lower than some other, more effectively utilized programs throughout the country. While more than 8% of eligible



students take advantage of the JMS, and 14% take advantage of the OASP, less than 1% of eligible students have taken advantage of the SNSP. The key difference between these programs does not appear to lie in the funding received-- the amount of the voucher for Wisconsin's SNSP is on par with these states. Instead, the key difference is in the onerous eligibility requirements on the SNSP.⁹

How to Improve the SNSP

In order for Wisconsin to catch-up to Florida and Ohio, the state legislature must improve the SNSP in the following ways:

1. Remove the requirement that special needs students apply for open enrollment before prior to being able to apply for the SNSP. Students desiring to enroll at a private school of their choice may not have access to nearby public schools that would also meet their needs, and requiring them to apply to schools they may not desire to attend represents a tremendous access barrier. It is also a nonsensical requirement; why would the State mandate that parents apply to attend a public school – and hope that they get rejected – so that they can attend a private school?
2. Remove the requirement that students attend a public school prior to enrolling in a private school under the SNSP. This is unfair to younger students with special needs, or students who are already attending private schools on a traditional voucher. This would also require a mechanism for receiving an IEP, which is currently only provided to students in public schools.
3. Increase the funding for the SNSP so that it better represents the cost to educate special needs students. While private schools should maintain the flexibility to educate special needs children differently from public schools, there exist many children with special needs who require services worth more than \$12,000. They should be given the resources so that they can better educate those children. It is worth noting that the State gives private schools just slightly more (\$12,000) to educate children with disabilities than what they give Milwaukee Public Schools (\$10,431) to educate children without disabilities.

⁹ One other difference with OASP might be that it is only open to students diagnosed with autism rather than other special needs. However, we do not believe that families of children with autism are especially predisposed to seeking alternatives relative to other students with special needs, nor that services for students with autism are particularly inexpensive.

References

- Department of Education. "Assessment 2014-15" *IDEA Section 618 Data Products*.
<https://www2.ed.gov/programs/osepidea/618-data/state-level-data-files/index.html#ba>.
Accessed 8/15/2017.
- EdChoice. 2017. "School Choice in America" <https://www.edchoice.org/school-choice/school-choice-in-america/> Accessed 8/21/2017.
- Greene, JP & MA Winters. 2008. Public School Response to Special Education Vouchers: The Impact of Florida's McKay Scholarship Program on Disability Diagnosis and Student Achievement in Public Schools." *Educational Evaluation and Policy Analysis* 33: 138-58
- Hair, NL, JL Hanson, BL Wolfe and SD Pollack. 2015. "Association of Child Poverty, Brain Development and Academic Achievement." *Journal of the American Medical Association Pediatric* 169: 822-29
- The Economics Daily. 2015. "People with a disability less likely to have completed a bachelor's degree." *Bureau of Labor Statistics*.
- Wolf, Patrick, John Witte and David Fleming. 2012. "Special Education and the Milwaukee Parental Choice Program." *School Choice Demonstration Project*
- Wisconsin Department of Public Instruction. 2017. "Special Needs Scholarship Program Facts and Figures 2016 17 School Year."
<https://dpi.wi.gov/sites/default/files/imce/sms/SNSP/Facts%20and%20Figures%20for%202016-17-%20March.pdf>. Accessed 8/25/2017