

**Early Steps Allocation Project**  
**FICCIT Meeting**  
**11/15/18, 1:00 – 3:00 pm**

- The Florida Department of Health has contracted with Mercer Government Human Services Consulting (Mercer) to review the allocation methodology used for the Local Early Steps (LES) programs, evaluate the strengths and challenges of the current and past methodologies and recommend a new methodology the 2019-20 state fiscal year. The Mercer corporation provides actuarial consulting services to many government agencies across the country.
- The Early Steps allocation project will occur in three Phases:

**Phase I**

- Phase I occurred through June 30, 2018.
- Phase I's purpose was to introduce the Early Steps program and provide some foundational information for the project. Mercer reviewed the allocation methodologies used in past fiscal years going back to 2015. They also reviewed the current year (2018-19) methodology. Phase I also included working with DOH to develop principles related to developing a new methodology for the future. The overarching principles of the project are: Fairness, Transparency, Efficiency, Flexibility and Appropriate Incentives.
- Mercer proposed that several factors be considered. As more information is gathered, additional factors will be examined. The factors Mercer evaluated include: Core Functions, Child referrals, Direct service costs, Length of program participation for children, Population acuity, Geographic population and cost differences, LES Performance measures and Historical expenditure information.

**Phase II**

- Phase II occurs through July 1 - December 31, 2018.
- During Phase II, Mercer will gather information from LES agencies to further provide direction for the allocation methodology.
- Mercer held a statewide webinar on Monday, October 29 at 3:00 pm. This webinar was intended for both LES Directors and lead Fiscal Administrators in each LES agency. The purpose of the webinar was to have a group discussion about this topic and gather comments.
- Mercer will make a presentation on the allocation methodology project at the December 2018 LES Director's meeting in Orlando.

**Phase III**

- Phase III occurs in the Spring of 2019.
- Mercer will develop a final allocation methodology framework with recommendations for multiple years.
- Mercer will also develop a new data reporting tool. Mercer is looking at the data available through the Early Steps Data System and how reporting can be improved.
- Mercer will conduct a face-to-face meeting in April 2019 to provide training on reporting tools developed, present the new allocation methodology, and further clarify information.
- After the Legislature concludes in early May 2019, the final allocation methodology for FY 2019-20 will be available.