The social-emotional and behavioral health of young children is a critical aspect of development, and is robustly associated with school readiness and achievement, social relationships with peers and others, and even long-term health outcomes later in life. Difficulties in social-emotional development may result from the earliest attachment relationships, family or community violence, children’s mental health issues or mental health and substance abuse issues of primary caregivers, disabilities, and traumatic experiences and the resultant of toxic stress, among other factors. Infants, toddlers and preschoolers with social-emotional and behavioral difficulties are also at an increased risk for suspension and expulsion, which may put them on a negative educational and developmental trajectory.

Infant-Early Childhood Mental Health Consultation (I-ECMHC) is a multi-level preventive intervention that teams mental health professionals with people who work with young children and their families to improve their social-emotional and behavioral health and development. I-ECMHC builds the capacity of teachers, providers and families, and includes skilled observations, the strengthening of teacher-family relationships, the identification of children with or at-risk for behavioral, developmental or mental health difficulties, and linkages to additional support services, as needed. I-ECMHC has demonstrated impacts for improving children’s social skills, reducing challenging behaviors, preventing preschool suspensions and expulsions, improving child-adult relationships, and reducing teacher stress, burnout, and turnover.

While there is no single dedicated funding source available for early childhood mental health consultation, there are a number of federal funding streams that can be paired with State and local funds to support this important service for young children and their families.

**Child Care and Development Fund (CCDF):** The Child Care and Development Fund (CCDF), a federal program administered by the Administration for Children and Families (ACF), provides State-administered child care financial assistance to low-income families. The program’s statute was reauthorized in 2014 (see [http://www.acf.hhs.gov/programs/occ/ccdf-reauthorization](http://www.acf.hhs.gov/programs/occ/ccdf-reauthorization)). The law increases the amount that States must spend on activities to improve the quality of child care programs from 4 to 9% phased-in over 5 years starting in FY 2016. These activities may include professional development enhancements that target behavioral management strategies and training that promote positive social and emotional development, reduce challenging behaviors and reduce expulsion practices. The law also includes a minimum 3% set aside of funds to be used to improve the quality of care for infants and toddlers beginning in FY 2017. States can use CCDF funds set aside for quality improvements and for infants and toddlers, to support I-ECMHC.

**Community Mental Health Services Block Grant (MHBG):** The Community Mental Health Services Block Grant is the largest Federal program to assist States in developing comprehensive, community-based mental health systems of care for adults with serious mental illnesses (SMI) and children with serious emotional disturbances (SED). States have latitude in determining how to spend their funds to support services for adults and children; however the funds must be spent on SMI and SED. Serious emotional disturbances refer to diagnosable disorders in children and adolescents that severely disrupt their daily functioning in the home, school, or community. Pursuant to section 1912(c) of the Public Health Service Act ‘children with a serious emotional disturbance’ are persons: (1) from birth up to age

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1 This compilation of federal funding sources was put together for a more comprehensive, forthcoming publication that includes examples from discussions with I-ECMHC experts, advocates, technical assistance providers and state administrators that is being prepared by federal staff from The Office of the Assistant Secretary for Planning and Evaluation (ASPE), SAMHSA, and ACF.
18 and (2) who currently have, or at any time during the last year had, a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified within DSM-III-R. MHBG funds can be used to support I-ECMHC if the child being served meets the SED definition.

**Comprehensive Community Health for Children and Their Families (CMHI):** CMHI provides funds to public entities to promote the coordination of multiple and often fragmented systems that support children and youth diagnosed with serious emotional disturbances (SEDs) and their families. HHS has prioritized services to young children as part of this initiative and 16 grantees have focused their systems of care on young children who have- or are at imminent risk of having- a serious mental health disorder and their families. CMHI allows the use of funds to support I-ECMHC. The consultation focuses on improving knowledge and skills to address and manage a child or youth’s emotions and behaviors, including the development of behavioral management techniques and crisis plans, and the review and monitoring of progress towards meeting goals identified in the treatment plan.

**Early Childhood Comprehensive Systems (ECCS):** ECCS grants are awarded to States and organizations to build systems that improve the health of young children. Grantees partner with providers and programs to better integrate and improve services for young children. Grantees can use funds to support I-ECMHC, focused on one of three strategies – mitigating toxic stress, expanding developmental screening and referral, and/or incorporating evidence based standards in their system work.

**Head Start/Early Head Start (HS/EHS):** Head Start (HS) is a federal program that promotes the school readiness of children birth – 5 from low-income families. Head Start and Early Head Start (EHS) programs support infant, toddler, and preschooler’s cognitive, social, and emotional development through early, continuous, and comprehensive child development services for children, their families, as well as expectant mothers. The comprehensive services provided by HS and EHS include health, mental health, nutrition, and other social services. The Head Start Program Performance Standards require programs to ensure that all children have access to on-site mental health consultation by a mental health professional. Consultation must involve the mental health professional, program staff, and parents in the design and implementation of program practices responsive to behavior and mental health concerns of an individual child or group of children. Mental health consultation must also promote child wellness by providing staff and parent education on mental health issues, assisting in supporting children with atypical behavior or development, and utilizing other community mental health resources as needed.

**Maternal, Infant and Early Child Home Visiting Program (MIECHV):** MIECHV is a Federal program authorized through The Patient Protection and Affordable Care Act (ACA). The program seeks to improve maternal and child health, children’s development, and families’ economic self-sufficiency by supporting and educating families with infants, toddlers, and young children. States may leverage MIECHV funds to enhance existing home visiting models with I-ECMHC through several mechanisms, including using funds allocated for promising practices, through competitive expansion grants, or through their primary formula grant, pending developer approval. Of note, some MIECHV models include components of I-ECMHC, such as reflective supervision, mindfulness practices, and parent guidance.

**Medicaid’s EPSDT Benefit:** Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) is Medicaid’s comprehensive, preventive child health benefit designed to assure the availability and accessibility of health services—including mental health and substance use disorder services. According to an Informational Bulletin issued by the Centers for Medicare & Medicaid Services (CMS, 2013), the EPSDT benefit assures that health problems, including mental health and substance use issues, are diagnosed and treated early before they become more complex and their treatment more costly. Under the EPSDT benefit, eligible individuals must be provided periodic screening. One required element of this screening is a comprehensive health and developmental history including assessment of physical and mental health development. If, during a routine periodic screening, a provider determines that there may
be a need for further assessment, an individual should be offered additional diagnostic and/or treatment services. Treatment for mental health and substance use issues and conditions is available under a number of Medicaid service categories, including hospital and clinic services, physician services, and services provided by a licensed professional such as a psychologist. States should also make use of rehabilitative services. Depending on the interventions that the individual child needs, services that can be covered as rehabilitative services are inclusive of individualized mental health and substance use treatment services, including in non-traditional settings such as a school, a workplace or at home.

**New Authorities under Medicaid:** The Affordable Care Act provides new state plan and grant opportunities that include opportunities to address mental health and substance use disorders. Medicaid.gov provides descriptions and requirements for an array of home and community-based services to children. They also offer new options for integrating services for complex, high cost populations; new and improved home and community-based services state plan options; and enhanced Federal reimbursement to help states modify delivery systems.

**Project LAUNCH:** Project LAUNCH (Linking Actions for Unmet Needs in Children’s Health) is a federal program that provides funds to states, territories, tribal nations and communities committed to ensuring that all children enter school with the social, emotional, behavioral, cognitive, and physical skills they need to succeed. Project LAUNCH grantees work to improve early childhood systems through increased collaboration, data integration, policy, and workforce development. At the community level, grantees implement five promotion and prevention strategies that bring behavioral health awareness and expertise into early childhood settings. One of the five strategies that all community grantees implement is mental health consultation in early care and education settings, and includes consultation to child care centers, preschools, and elementary schools through grade 2. The other strategies implemented in every Project LAUNCH community are: screening and assessment in a range of child-serving settings; integration of behavioral health into primary care; enhanced home visiting with a focus on social and emotional well-being; and family strengthening and parent skills training.

**Race To The Top – Early Learning Challenge (RTT-ELC):** The Race to the Top-Early Learning Challenge provides a one-time award to states to build on infrastructure for innovative systems that will close school readiness gaps for young children from disadvantaged backgrounds. Several states that were awarded RTT-ELC grants are working on implementation projects associated with the expansion of existing, statewide I-ECMH consultation programs.

**Temporary Assistance for Needy Families (TANF) Transfers:** The TANF program is designed to help needy families achieve self-sufficiency, and is administered through block grants to states by HHS. States are currently permitted to transfer up to 30% of TANF funds to CCDF, and some states have done so in order to support I-ECMH consultation through CCDF.

**Title IV-E Child Welfare Waiver Demonstration Projects:** Section 1130 of the Social Security Act SSA authorizes HHS to approve demonstrations involving the waiver of provisions of titles IV-E and IV-B. These demonstrations promote innovation, learning, and broad-based child welfare reform. By providing states/tribes with flexibility to use funds normally limited to foster care for other services, demonstrations allow agencies to invest more in services that can help prevent the removal of children from home, help children in foster care return home, or move more quickly and safely to another permanent, loving family. HHS priorities under this authority include trauma-informed programs AND practices to address trauma experienced by maltreated children. Children in foster care have been recognized by the I-ECMH community as a population that can benefit from I-ECMH consultation, and I-ECMH consultation is an intervention with evidence of effectiveness in treating trauma.