



Advocates for Children of New York

Protecting every child's right to learn

Testimony for the Joint Legislative Public Hearing on the 2016-2017 Executive Budget Proposal: Health

Re: Early Intervention and Home Visiting Programs

January 25, 2016

Advocates for Children of New York (AFC) appreciates the opportunity to submit testimony regarding the Early Intervention and home visiting proposals in the 2016-2017 Executive Budget. For more than 40 years, AFC has worked to promote access to the best education New York can provide for all students, especially students of color and students from low-income backgrounds. Every year, we help thousands of New York parents navigate the Early Intervention, preschool, and school-aged education systems.

As this year's budget process moves forward, we urge the Legislature to:

Early Intervention (EI)

1. Reject the Executive Budget proposal to restructure the EI referral, eligibility determination, screening, and evaluation process. This proposal does not comport with federal requirements, would have a harmful impact on children, and may not yield any cost savings.
2. Begin restoring EI reimbursement rates by increasing the current rates by at least 5% this year. The Executive Budget proposal of a 1% increase for administrative costs only is insufficient.
3. Include in the final budget the Executive Budget proposal to require health insurance companies to contribute to the cost of EI services by prohibiting them from denying coverage for EI claims based on certain factors.
4. Reinvest the savings from the proposed EI health insurance changes into the EI program to support quality improvement efforts and recruitment and retention of high-quality professionals and to cover the burden of increased costs.

Home Visiting Programs

5. Include at least \$37.8 million in the final budget for home visiting programs.

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request an evaluation under § 303.321 at any time during the screening process.” The commentary to the federal regulations explains that this language was added “to clarify that parents have an ongoing right to request an evaluation before, during, or after their child is screened.”

With regard to a parent’s right to evaluations, the proposed Article VII language merely states: “If, based upon the screening, a child is not suspected of having a disability, an evaluation shall not be provided, unless requested by the parent. The early intervention official shall provide the parent with written notice of the screening results, which shall include information on the parent’s right to request an evaluation.” This language implies that a parent does not have the right to request an evaluation until the screening has been completed and that a parent will not receive notice of the right to an evaluation until the screening has been completed. The current Article VII legislation fails to comport with the federal requirement that parents receive notice of the intent to screen their child and their right to request an evaluation at any time during the screening process.

While we are not opposed to the concept of screenings, it is also important to consider whether the purported benefits of mandatory screenings outweigh the costs. The administration has explained that requiring screenings will “achieve program efficiencies” and save money. However, screenings also come with costs. For children who will ultimately receive an evaluation, a screening does not save any money and, assuming the State will pay evaluators to perform screenings, will cost additional money for each child who is evaluated. Given that any family can request an evaluation regardless of the outcome of the screening, it is hard to predict how many fewer evaluations the EI program will have to perform as a result of mandatory screenings.

There are several categories of children for whom screenings do not appear to have any benefits. First, in cases where parents request an evaluation prior to a screening, the State will not save any money or achieve any efficiencies by conducting an additional screening.

Second, some children are referred to EI because they are suspected of having a disability based on the result of a screening. In fact, in its April 2011 Annual Performance Report, the Bureau of Early Intervention explained that the State’s increase in EI referrals “is a likely result of the increased use of developmental screening by pediatricians across New York State.” In addition to pediatricians, programs such as Early Head Start perform developmental screenings and make referrals to EI based on the results of such screenings. The State will not save money



with parents in determining whether or not a screening is appropriate, we would see an increase in the use of screenings. The State should also conduct an in-depth analysis of the impact on children and costs of the mandatory screenings proposal before implementing it.

We urge the Legislature to reject the mandatory screenings provision.

Assessments for Children with a Diagnosed Condition

The Executive Budget proposes to use a child's medical records to establish a child's eligibility for EI when the child has a diagnosed physical or mental condition that has a high probability of resulting in developmental delay. Such children would not receive an "evaluation of the child's level of functioning in each of the developmental areas" based on an evaluation instrument. Rather, they would receive only an "assessment for the purpose of identifying the child's unique strengths and needs in each of the developmental areas," a family-directed assessment, and a transportation assessment. For a child who has a diagnosed physical or mental condition that has a high probability of resulting in developmental delay, we agree that an evaluation is not necessary *for the purpose of determining eligibility*. However, without evaluating the child's level of functioning in each of the developmental areas, it is unclear how an IFSP team would determine the type and amount of services appropriate to meet a child's unique needs. The fact that a child has a diagnosis likely to result in delays does not give sufficient information to determine appropriate services. Two children with the same diagnosed condition may have widely varying degrees of need.

We recommend continuing to require that children referred to EI because of a diagnosed condition receive an evaluation of the child's level of functioning in each of the developmental areas. We urge the Legislature to reject the eligibility determination/evaluation proposal.

Referrals

Currently, unless a parent objects, primary referral sources, such as doctors, child care providers, and homeless shelters, are required to refer an infant or toddler to EI for a screening/evaluation if they suspect that the child has a disability. Counties have developed different referral procedures, including phone hotlines to help facilitate these important referrals. The Executive Budget proposal would require that, unless a parent objects, primary referral sources submit a referral form that "contains information sufficient to document the primary referral source's concern or basis for



2. Increase EI Reimbursement Rates by At Least Five Percent

Since 2010, state funding for Early Intervention has decreased significantly. The State cut the EI service rate for home- and community-based services by ten percent in April 2010 and cut the reimbursement rate for all EI services by an additional five percent in April 2011. Meanwhile, the State implemented a new process for seeking reimbursement, placing significant administrative burdens on EI service coordinators and programs.

As a result, experienced, high-quality EI providers have shut their doors or stopped taking referrals, making it difficult for children to access much-needed high-quality services in a timely manner in certain areas. Restoring reimbursement rates is necessary to support recruitment and retention of high-quality professionals, to cover the burden of recently increased administrative costs, and to build ongoing quality improvement efforts into the program.

The Executive Budget proposes a mere *one percent* increase for administrative costs (noting that the administrative component of rates has not changed since 1994), and no increase for overall reimbursement rates. This increase is insufficient.

We urge the Legislature to begin restoring reimbursement rates by increasing the current rates by at least five percent this year.

3. Approve the Executive Budget Proposal to Increase Health Insurance Reimbursement for EI Services

One strategy for helping to fund EI is to maximize reimbursement from health insurance companies. As the EI State Fiscal Agent found, private health insurance companies often deny claims for reimbursement of EI services based on lack of documentation (despite having EI documents) or due to reasons such as services taking place in the home or the EI provider not being in the insurer's network. In fact, in FY 2015, nearly 85 percent of claims submitted to private insurers were denied.

We are pleased that the Executive Budget proposes to require health insurance companies to contribute their fair share to the cost of EI. The budget proposal would require health insurance companies to accept an EI referral, a recommendation for diagnostic services to determine eligibility, or an Individualized Family Services Plan (IFSP) as sufficient to meet the precertification, preauthorization, and/or medical



We urge the Legislature to include at least \$37.8 million in the final budget for home visiting programs, including:

- \$5 million for Nurse-Family Partnership
- \$27.8 million for Healthy Families NY
- \$3 million for Parents as Teachers
- \$2 million for Parent-Child Home

Thank you for considering our testimony. If you have any questions, please contact me at 212-822-9532 or rlevine@advocatesforchildren.org.

Respectfully submitted,

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