



Testimony to the SFY2027 Joint Legislative Budget Hearing on Health

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Thank you for this opportunity to submit testimony regarding New York State's Early Intervention (EI) program, which serves approximately 70,000 infants and toddlers and their families every year.

The [Kids Can't Wait coalition](#) is led by [The Children's Agenda](#), and is made up of parents, early childhood and disability advocates, pediatricians, EI providers, higher education faculty, and others concerned about the well-being of New York's infants and toddlers. The goal of the Kids Can't Wait coalition is to successfully advocate for reform and improvement of New York's Early Intervention and Preschool Special Education systems, bringing them into compliance with federal law and ensuring that young children with developmental delays and disabilities receive the services and therapy they need in a timely and equitable manner.

Our recommendations for the SFY27 budget are:

1. Fulfill the promise made to providers and families by implementing the 5% rate increase promised in the FY 2025 State Budget. In addition, approve an additional 8% rate increase for all Early Intervention services.
2. Pass the Early Intervention Reform Bill (A.283A/S.1222A) to modernize and strengthen EI statewide.
3. Ensure that steps toward universal child care include children with disabilities by doubling the enhanced reimbursement rates for child care providers serving children with delays and disabilities.
4. Advance the Early Intervention Loan Forgiveness bill (A.1974/S.8290) to draw new providers into the Early Intervention field.
5. Create an annual rate-setting mechanism for Preschool Special Education evaluations and programs that ensures rates increase at least at the same rate as public school funding,

The Early Intervention program exists in all 50 states to serve children from birth through two years old with developmental delays or disabilities and their families. Their right to early childhood developmental services is established in federal law through the Individuals with Disabilities Education Act (IDEA) – Part C. IDEA was originally enacted in 1975, to require and govern how states provide free appropriate public education to children with disabilities. The Education of the Handicapped Act Amendments of 1986 established the Early Intervention Program for Infants and Toddlers with Disabilities under Part H (now Part C) of IDEA.

The purpose of the Early intervention program is to identify and meet the needs of infants and toddlers in five developmental areas: physical development, cognitive development, communication development, social or emotional development, and adaptive development. The federal program is designed to support states in developing and implementing a statewide, comprehensive, coordinated, and multidisciplinary interagency system to make early intervention services available for ALL infants and toddlers with disabilities and their families.¹

¹ 43rd Annual Report to Congress on the Implementation of the Individuals with Disabilities Education Act, 2021 (<https://sites.ed.gov/idea/2021-individuals-with-disabilities-education-act-annual-report-to-congress/>)

New York's Early Intervention Program

Early Intervention services can change the trajectory of a child's life. When needed therapies are available, educational and developmental outcomes are better. EI helps create a better future for children and saves taxpayer dollars.²

Unfortunately, New York State's EI program falls short of reaching all eligible children. According to the U.S. Department of Education's Office of Special Education Programs (OSEP)³, the Office of the NYS Comptroller⁴, and the State Early Intervention Coordinating Council⁵, approximately half of eligible children are not receiving their services on time.

Across the state, infants and toddlers with developmental delays or disabilities are waiting weeks and months for their Early Intervention services to begin, meaning that children are languishing or regressing instead of making developmental gains. Some are getting only a portion of the therapy deemed appropriate in their Individualized Family Service Plan (IFSP). Many age out of the program at age three having received no assistance at all.

Racial, geographic and economic disparities make this situation even more challenging for some families. The New York State Dept. of Health and the state Office of the Comptroller released data showing that wait times are longer for Black and Hispanic children and that this crisis is hitting rural and high-poverty areas of our state especially hard.

Given these realities, EI families and providers welcomed the 5% rate increase for EI services, effective April 1, 2024, coupled with the promise of an additional 4% rate modifier for services delivered in rural and underserved areas of the state to be effective April 1, 2025. The 4% modifier started implementation in December 2025, with a commitment to make it retroactive to April 1, 2025. The 5% rate increase has not been implemented at all. It was submitted to the federal government for approval – necessary because EI is partially paid with federal Medicaid dollars - in December 2024. It has not been approved yet.

The shortage of EI providers is not due to a decline in the number of licensed providers available in the most commonly needed therapies. The number of Physical Therapists, Speech/Language Pathologists and Occupational Therapists is on the increase, but fewer are opting to work with infants and toddlers.

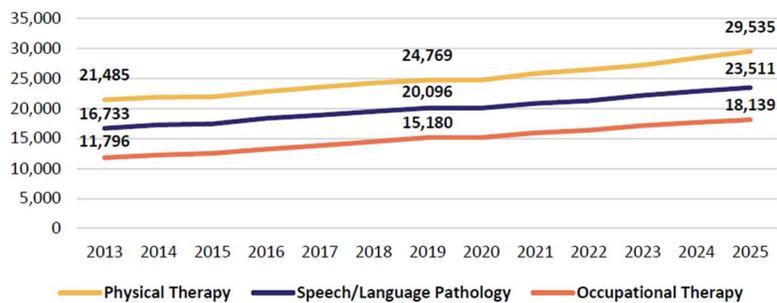
² <https://thechildrensagenda.org/publications/investing-in-new-york-states-early-intervention-program-factsheet/>

³ <https://www.ed.gov/sites/ed/files/fund/data/report/idea/partcdmsrpts/dms-ny-c-report-final-02-29-2024.pdf>

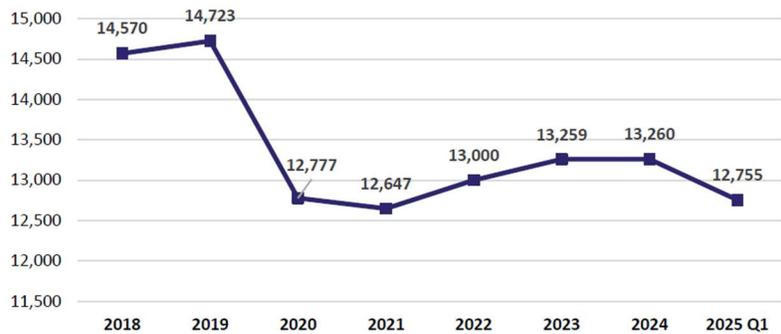
⁴ <https://www.osc.ny.gov/state-agencies/audits/2023/02/28/oversight-early-intervention-program>

⁵ https://www.health.ny.gov/community/infants_children/early_intervention/eicc/docs/2023-12-14_ann_perf_report.pdf, p. 19

Total Number of NYS-Licensed Related Services Providers
2013 - 2025



Average Number of Early Intervention Therapists in New York State



Addressing the EI crisis through non-fiscal reforms

Provider reimbursement rate increases are not the only solution to the EI crisis. In addition to fully funding the 5% rate increase, the State should conduct a comprehensive study of other aspects of the program. Listening sessions should be held in every region of the state to hear directly from parents, providers, and others impacted by the current situation. The State should also learn about other states’ Early Intervention programs and identify best practices that would improve its program.

Other states’ Early Intervention program components are worth exploring, given their varying governance, service delivery, dispute resolution, provider licensure requirements, and other elements. Changes to each of these aspects of New York’s program could improve the experience for both Early Intervention providers and the children and families who depend on their services.

A review of ten states performing well with timely service delivery revealed a considerable diversity of approaches to delivering Early Intervention services.

- In Michigan, a variety of approaches are used to deliver Early Intervention services, with varying staff levels and qualifications. Many services are provided through the Primary Service Provider model, where a single service provider is engaged in most interactions with the family and regularly collaborates with a team of professionals.
- Michigan’s IDEA Part C program is administered by the Department of Lifelong Education, Advancement, and Potential, and the Department of Education. Services are delivered by Intermediate School Districts and Local Education Agencies. The program is funded with school aid, Medicaid, and local funds.

- Vermont faces challenges similar to New York’s rural areas, with an inadequate number of providers and long distances to reach the families receiving services. Vermont’s service delivery model is a team with child developmental specialists who are certified special educators with a bachelor’s degree, acting as primary service providers. The specialists work closely with professionals from other disciplines to meet the families’ needs. Early Intervention is also integrated with other early childhood programs, like home visiting. Instead of a fee-for-service model like New York’s, they use a capitated rate model that allows agencies to pay salaries, benefits, and travel expenses. Vermont’s Part C program is administered by the Agency for Human Services’ Department of Children and Family Services’ Division, by its Integrated Services Unit. Services are contracted through 11 regional providers using a capitated rate per child served.
- The Illinois IDEA-Part C program is administered by the Illinois Dept. of Human Services’ Division of Early Childhood. It is coordinated by 25 regional Child and Family Connections offices. In Illinois, the majority of Early Intervention funding comes from Illinois’ general revenue fund, followed by Medicaid reimbursement, private insurance, federal funds, and family fees. Like New York, Illinois’ Early Intervention program has struggled with provider shortages, racial and geographic disparities, and delays in service delivery. In 2023, the Illinois Department of Human Services commissioned a study to develop a cost model to understand the full cost of the Early Intervention system and propose recommendations for reforms.

SFY2027 budget

We look to the legislature to prioritize EI children and their families in upcoming budget negotiations. We understand that there are limited resources and many needs, but this program and the very vulnerable young children it serves have been waiting too long for recognition and additional investments. We strongly recommend that the final enacted budget includes:

1. Funds to fulfill the promise made to providers and families by implementing the 5% rate increase promised in the FY 2025 State Budget. Second, approve an additional 8% rate increase for all Early Intervention services.
2. Funds to complete a comprehensive assessment of the Early Intervention system to identify what will make services accessible, equitable and effective for every child who needs them. We urge the Senate and Assembly to pass the Early Intervention Reform Bill (A.283A/S.1222A) to modernize and strengthen EI statewide.
3. To be sure that the progress being made in child care assistance serves ALL of New York’s children, including those with disabilities, the budget should include a doubling of the enhanced reimbursement rates for child care providers serving children with delays and disabilities. In addition, the process to access the enhanced rate should be streamlined.
4. Funds to expand the pipeline of qualified early childhood professionals by providing loan forgiveness to individuals entering the EI workforce. Advance the Early Intervention Loan Forgiveness bill (A.1974/S.8290) to draw new providers into the EI field.
5. Creation of an annual rate-setting mechanism for Preschool Special Education evaluations and programs that ensures rates increase at least at the same rate as public school funding, preventing program closures and maintaining access to timely services.

Thank you for the opportunity to provide testimony on this important service for New York’s youngest children.

Appendix A:

Year	Legislative Changes to Early Intervention Reimbursement Rates	
2010 - 2011	<p>In April 2010, the State imposed a 10% cut to the rates for all EI services taking place in children’s homes or community settings, which reduced resources for nearly all EI services.</p> <p>In 2011, New York State cut the rate for all EI services by an additional 5%.</p>	
SFY2020	<p>The SFY2020 State budget included a 5% rate increase for Occupational Therapists, Physical Therapists, and Speech-Language Pathologists, effective April 1, 2022.</p>	
2021	<p>Because private health insurers were denying most EI claims, the legislature and Governor approved a new funding source for EI, the Covered Lives Assessment. This ended the practice of submitting claims for reimbursement from private insurers (which on average resulted in \$12 million in revenue annually) and instituted a \$40 million assessment paid by the insurers to fund Early Intervention.</p> <p>Though the Covered Lives Assessment should have infused more funds into the EI program, in practice, it has not resulted in any additional funds. Municipalities are still waiting for \$20M owed to them under the Covered Lives funding mechanism.</p>	
SFY2023	<p>The SFY2023 State budget included a 1% increase in Medicaid rates across the board, resulting in a 1% rate increase for all Early Intervention services.</p>	
SFY2025	<p>The State budget passed in April 2024 (SFY2025) included a 5% rate increase for all EI services delivered in-person and an additional 4% modifier for services provided in rural and underserved areas of the state.</p> <p>New York State delayed submission of both Medicaid State Plan Amendments needed to implement the rate increases to the federal government, and, as of this writing, seventeen months past approval, the 5% rate increase continues to be stalled at the U.S. Centers for Medicare and Medicaid. The 4% rate modifier was approved on September 25, 2025, with an effective date of April 1, 2025.⁶</p> <p>To pay for these rate increases, New York State decreased reimbursement rates for telehealth services by 22% in New York City and 10% in the rest of the state. These telehealth cuts took effect on April 1, 2025, despite the delayed rate increases. The state also proposed a reduction in allowable group sizes, a change that is likely to result in fewer groups.</p>	

⁶ See [NY State Plan Amendment](#)