

Support HB 843: Strengthen Early Childhood Intervention (ECI) for Texas Children by Maximizing Non-State Revenue Sources

Testimony to the House Insurance Committee on March 16, 2021

Texas ECI Is Highly Effective for Kids With Disabilities

Early Childhood Intervention (ECI) is a federal-state program that contracts with community organizations to provide life-changing therapies and services to babies and toddlers with autism, Down syndrome, and other disabilities and developmental delays. Working with caregivers, ECI helps children learn to walk, communicate with their families, and meet other developmental goals — reducing the need for costly special education services. The program is particularly effective because it serves children during the rapid brain development that occurs prior to age three. Texas children of all incomes are eligible for ECI based on medical diagnoses or severity of developmental delays.

But Funding Cuts Led To Program Closures and Under-Enrollment

Over the last decade, state leaders cut ECI funding and Medicaid reimbursement rates for therapy providers. Programs have shuttered. Eligible babies and toddlers have gone without support. **In response to public outcry, the 2019 Texas Legislature restored some ECI funding, but per child funding levels are still below previous levels and the state needs to maximize all funding sources.**

Unlike Other States, Texas Does Not Require Private Insurance Companies To Cover Most ECI Services¹

In Texas, private insurance companies are not required to provide coverage for specialized skills training and case management for children with developmental delays. Medicaid Managed Care Organizations, on the other hand, are required to cover such services. Consequently, **Texas disproportionately relies on state General Revenue and local funds raised by ECI contractors to cover costs of services for Texas children, including those with private insurance.**

¹Texans Care for Children is a statewide, non-profit, non-partisan, multi-issue children's policy organization. We drive policy change to improve the lives of Texas children today for a stronger Texas tomorrow. We envision a Texas in which all children grow up to be healthy, safe, successful, and on a path to fulfill their promise.

HB 843 Would Maximize Non-State Sources of Revenue for the ECI Program by Requiring Private Insurance Companies to Cover ECI Services

The Legislature understands that the ECI program needs to maximize all funding sources, as evidenced by Rider 98 from last session requiring HHSC to look at ways to maximize funding. Additionally, the Legislative Budget Board's 2017 Staff Report points out that private insurance offers an opportunity to stabilize costs of the ECI program and reduce pressure on state General Revenue funds. By requiring private insurance companies to cover ECI services, Texas would join other states, establish equity between private insurance companies and Medicaid Managed Care Organizations, and take an important step toward fiscal stability for an important early intervention program for Texas children.

Endnotes

1. Texas Health and Human Services Commission. (September 2020). Early Childhood Intervention Services Implementation Plan for Maximizing Funding Progress Report. As Required by 2020-21 General Appropriations Act, House Bill 1, 86th Legislature, Regular Session, 2019 (Article II, Health and Human Services Commission, Rider 98). <https://hhs.texas.gov/sites/default/files/documents/laws-regulations/reports-presentations/2020/eci-implementation-plan-progress-reports-sept-2020.pdf>