



Response to Request for Information - House Appropriations Article II SubCommittee - Charge #5

September 30, 2020

Early Childhood Intervention (ECI) has proven to be an effective way of supporting Texas infants and toddlers with disabilities and developmental delays. However, the current program is hampered by a reduction in state funding — measured in terms of dollars per each enrolled child — compared to past years. While the increased appropriation to ECI during the 2019 legislative session was helpful, it fell far short of restoring ECI funding per enrolled child. This is one of the key reasons some ECI contractors have dropped out of the program in the last few years.

In the following pages, we provide additional information about ECI in Texas and recommendations for steps that the Legislature can take, including addressing the funding shortfall in ECI.

Early life experiences matter.

The earliest months and years of a child's life are a time of rapid physical, social, and emotional development. A baby's brain forms more than one million new neural connections every second. During this unparalleled time of development, the early experiences and relationships a child has with parents and caregivers influences how they master new skills like walking, language, cognitive skills, and social interactions. These experiences provide a foundation for future positive health outcomes and success in school and adulthood.¹

Early Childhood Intervention (ECI) is an effective program that promotes early brain development.

ECI is an effective federal-state program that contracts with community organizations, such as Easterseals and Any Baby Can, to provide life-changing therapies and services to children under age three with autism, speech delays, Down syndrome, and other disabilities and developmental delays. By serving children during the critical first three years of life, a time of rapid brain development, ECI is highly effective in helping children learn to walk, communicate with their families, develop positive relationships, and gain the skills needed to be ready to start school, or meet other goals.² Additionally, children with developmental delays who receive ECI services are less likely to need special education by the time they reach kindergarten.³

ECI provides an array of family-centered, home-based and virtual services using a coaching model, in which ECI providers coach parents on how to interact with their child in ways that support the child's development. While many programs that serve young children were forced to close during the pandemic, ECI's coaching model allowed ECI providers to pivot quickly to telehealth, providing a lifeline for families. Staff at the state's Health and Human Services Commission (HHSC) have continued to effectively manage the ECI program through these challenges.

But ECI providers are under financial strain and too few Texas kids are benefitting from ECI.

Over the last decade, state leaders cut ECI funding, cut Medicaid reimbursement rates for therapy providers, and reduced eligibility. Amid this financial pressure, multiple programs made the difficult decision to close. In 2019, the Legislature provided a \$1.5 million supplemental increase that helped selected ECI contractors and a \$31 million boost for FY 2020 and FY 2021, for a total appropriation of \$348 million in federal and state funds for the current biennium, including \$7 million for Respite and Quality Assurance.⁴ The funding provided by the Legislature for FY 2020 and FY 2021 equates to \$433 per month for each enrolled child, 10 percent lower than the funding levels from FY 2012 to FY 2015. During that four-year period, per-child monthly funding ranged from \$484 to \$479, even after taking into account the funding reductions by the Legislature in 2011. **Current funding per-child is approximately the same as FY 2016 and FY 2017, when six ECI programs ended their ECI contracts with the state due largely to funding challenges.**^{5 6} In a survey of ECI contractors conducted by HHSC prior to COVID-19, two-thirds (20 respondents) said the FY2020 increase could fill some, but not all, of the anticipated financial deficits.⁷

Texas serves a significantly lower percentage of young kids through ECI compared to other states. In 2018, Texas served 2.34 percent of children under age three, compared to the national average of 3.74

percent, ranking the state 46th in the nation. Amid a growing population of Texans under age three, the state's ECI enrollment has increased each of the past several years, reaching nearly 60,600 children in 2019.

The racial breakdown of kids enrolled in ECI does not reflect the Texas population. In 2018, Black children represented only 8 percent of the children enrolled in ECI services, but they were 12 percent of children under age three in Texas. In that same year, White and Hispanic children were overrepresented in ECI.⁸ The problem is noticeably worse now than it was a decade ago. In 2009, 12 percent of Texas kids enrolled in ECI were Black, compared to only 8.6 percent in 2019, a decline of 28 percent.⁹ In a recent survey by Texans Care for Children, a third of ECI directors said that their programs were missing Black children due to limited Child Find efforts and resources.

More eligible children would benefit from ECI if community organizations were more aware of the program and state leaders ensured kids have health insurance to attend check-ups. Child care providers, social service organizations and community members would benefit from learning about ECI and how to refer families to ECI when they are concerned that a child may have a delay or disability. More public awareness would help educate parents about the services and supports ECI provides and let them know that no referral is required. Medical providers have been the main source of referrals to ECI in recent years, but they can't play that critical role if children miss check-ups because they are uninsured. Unfortunately, Texas has the highest uninsured rate for kids, with 8.3 percent of children under three in Texas uninsured.¹⁰ Texas conducts inaccurate mid-year eligibility reviews in Children's Medicaid causing eligible children to lose benefits, contributing to the rise in uninsured children. These checks are suspended due to COVID. By moving to 12 months continuous eligibility after the public health emergency, Texas can help kids keep their coverage, get referrals to needed services like ECI, and have ECI services covered by their Medicaid insurance.

There are steps the legislature and state agencies can take to support ECI programs in order to boost child outcomes and achieve longer-term savings for the state.

Legislative Solutions:

- Restore ECI funding to the 2013 funding level of \$484 per child each month to give contractors the capacity to enroll and serve all eligible children in their communities. The funding should account for projected caseload growth amid the state's growing child population.
- Increase funding for Child Find to support community awareness and outreach efforts to ensure all eligible children are identified, screened, evaluated, and enrolled in ECI.
- Increase funding for health coverage outreach and enrollment to help children enroll in and access Medicaid and CHIP so more children can attend well child visits, get referrals to needed services like ECI, and have ECI services covered by their Medicaid insurance.

- Ensure state-regulated private health insurance plans cover and reimburse for critical ECI therapies and services, including Specialized Skills Training and Targeted Case Management (SST and TCM).¹¹

¹² When insurers fail to pay for these common and effective services, ECI providers are forced to tap public funds (their contract dollars from the state) or charge families, a potential financial barrier for many families.

Legislative or HHSC Solutions:

- Evaluate and address the causes of the disproportionate under enrollment of Black children in ECI with input from Black families as well as researchers, health leaders, early educators, and community organizations working with Black families.
- Connect infants and toddlers to health care by ending error-prone mid-year eligibility reviews in Children's Medicaid and establishing continuous 12-month coverage.
- Through a CHIP state plan amendment, add Specialized Skills Training (SST) and Targeted Case Management (TCM) as covered services in CHIP.

Legislative or TWC Solution:

- Improve partnerships between child care providers and ECI programs and educate child care providers to identify missed milestones and refer families to ECI.

Recent Media Articles

- <https://www.expressnews.com/news/local/article/Early-childhood-intervention-experts-worry-the-15352654.php#photo-19575453>
- <https://spectrumlocalnews.com/tx/austin/news/2020/07/28/families-of-texas-children-with-special-needs-fear-crush-of-proposed-covid-19-budget-cuts-->

Endnotes

1. Center on the Developing Child at Harvard University (2010)
<http://developingchild.harvard.edu/wpcontent/uploads/2010/05/Foundations-of-Lifelong-Health.pdf>
2. The Value of ECI. Texas HHSC - ECI. (2017). Retrieved from:
<https://txpeds.org/sites/txpeds.org/files/documents/eci-value.pdf>
3. National Early Intervention Longitudinal Study (NEILS) Special Education and Part C Programs National longitudinal research on Part C programs tracked children with a developmental delay and found 46% did not need special education by the time they reached kindergarten as a result of early intervention services. Texas was part of the sample in the NEILS.
4. T.X. Legis. Assemb. Reg. Sess. 2. (2019). General Appropriations Act for the 2020-21 Biennium. (Used for 2020 and 2021 data). https://www.lbb.state.tx.us/Documents/GAA/General_Appropriations_Act_2020_2021.pdf
5. Several articles on ECI contractors leaving the program in 2016/2017 citing funding challenges as a main reason:
<https://www.texastribune.org/2017/04/12/texas-lose-brazos-valley-childrens-therapy-provider/>
6. At the start of FY16 there were 49 contractors. The 6 contractors who left the program in FY 16 were: North Texas Rehabilitation, Andrews Center, Emergence Health Network, Hill Country MHDD, Easter Seals East TX, UT Medical

Branch Galveston. Since 2010 eighteen contractors have exited the program, often citing funding challenges, including repeated years of financial losses incurred in delivering ECI services.

7. 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>

8. Texas Demographic Center and Texas Health & Human Services Commission. (June 2020). Dataset from Open Records Request made by Texans Care for Children.

9. Texas Health & Human Services Commission. (June 2020). Dataset from Open Records Request made by Texans Care for Children.

10. U.S. Census Bureau and Center for Children and Families

11. Early Childhood Intervention Services Implementation Plan on Maximizing Funding (March 2020)

<https://hhs.texas.gov/reports/2020/03/early-childhood-intervention-services-implementation-plan-maximizing-funding-progress-report>. Twenty-seven states collect private insurance as a funding source for ECI.

12. Texans Care for Children email exchange with [Early Childhood Technical Assistance Center](#) - *12 states with state statutes requiring insurance coverage for early intervention services: CT, CO, DC, FL, IL, IN, KY, MA, MO, NH, RI & VA*