



NYSAC
NEW YORK STATE
ASSOCIATION OF COUNTIES

2017

Budget Priority

EARLY INTERVENTION SERVICES

PROBLEM

County health departments coordinate all Early Intervention services. Even though nearly half of the children in the Early Intervention Program have private health insurance, their policies often do not reimburse for these services. In addition, under New York State law, program costs cannot be claimed until 9 months into the current school year, and as a result, claims frequently remain unreimbursed for more than one year at a time. Private insurance recoupment rates remain low.

2017 EXECUTIVE BUDGET PROPOSAL

The Budget includes a series of reforms to increase reimbursement from third-party insurers with an estimated State savings of \$3.9 million in FY 2018 and \$14.3 million in FY 2019. Reforms include facilitating the collection of insurance information, maximizing appeals of insurer payment denials, and requiring insurers to pay for benefits covered by the child's health insurance policy and to abide existing prompt pay requirements.

The Executive Budget also proposes to restructure funding for Children with Special Needs in NYC. It would change how funding is structured for residential placements of children with special needs made by the Committee on Special Education in New York City to better align fiscal responsibilities with the entity that makes the placement decisions. The City would pay tuition costs associated with New York City Foster Care placements. These two proposals will cost New York City \$42 million.

2017 LEGISLATIVE BUDGET PROPOSALS

The Senate's Budget rejects the proposed Early Intervention reforms.

The Assembly's Budget modifies the Executive proposal to strengthen Insurance Law related to EI program to ensure these provisions only apply to regulated entities. The Assembly rejects the Executive proposal requirement for providers to appeal a denial prior to receiving payment.

COUNTY SOLUTION

Counties support the Executive Budget proposal to increase reimbursement from third-party insurers, but have concerns with the added administrative burden for obtaining signed copies of the IFSPs. Counties also feel strongly that wording should be clarified to ensure that the department or the fiscal agent "MUST" not "may" request the provider to appeal claims denials.

Counties would also like to see the Department of Health and the Division of Budget dedicate funding to ensure the repayment of county costs for Early Intervention Services that were provided and paid for by counties prior to the State Fiscal Agent Administrative takeover and remain unreimbursed.