

1 **2023 NYSAC Legislative Conference**
2 **Standing Committee on Children with Special Health Care Needs**
3 **Resolution # 4**

4
5 **Resolution Urging the Governor and State Legislature to Expedite the**
6 **Release of Covered Lives Implementation Guidance and Funds to Counties**

7
8 **WHEREAS**, on December 29, 2021, Governor Kathy Hochul signed A.5339/S.5560-A
9 into law, establishing an Early Intervention Program (EIP) Covered Lives pool funded
10 by an assessment on insurance plans; and

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12 **WHEREAS**, this legislation, intended to assure a reliable revenue stream for New
13 York’s EIP, went into effect on January 1, 2022; and

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15 **WHEREAS**, the New York State Department of Health, Bureau of Early Intervention
16 stopped submitting claims to third party insurers for Early Intervention services on
17 January 1, 2022; and

18
19 **WHEREAS**, the purpose of this legislation is to relieve the EIP’s heavy fiscal burden on
20 municipalities/counties and the State that resulted from high rates of commercial
21 insurance denials for EI service claims, to improve the EIP for children and families,
22 and to assist providers by relieving some of their administrative duties during service
23 delivery; and

24
25 **WHEREAS**, prior to the covered lives assessment going into effect, Early Intervention
26 (EI) service claims were paid through three revenue streams--either commercial
27 insurance, Medicaid, or out of escrow--depending on the child receiving the service’s
28 insurance coverage; and

29
30 **WHEREAS**, municipalities/counties were responsible for paying 100 percent of the
31 upfront costs of EIP services, not covered by Medicaid or commercial insurance, out of
32 county escrow, with State reimbursement for 49 percent of escrow costs provided at a
33 later date; and

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35 **WHEREAS**, since the assessment went into effect, providers are no longer billing
36 commercial insurance for services provided; and

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38 **WHEREAS**, municipalities/counties are now responsible for paying upfront costs for
39 all EIP services not covered by Medicaid, including for services provided to children
40 with commercial insurance, out of county escrow; and

41
42 **WHEREAS**, the EIP pool funding is intended to offset both the municipal and State
43 share of EIP services, not covered by Medicaid; and

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45 **WHEREAS**, the 2023 enacted budget included \$40 million in assessment revenues in
46 the New York State Department of Health Early Intervention Program budget; and

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2 **WHEREAS**, the 2024 enacted budget amended the New York State Health Care
3 Reform Act to make covered lives funding available annually from January 1, 2023,
4 through December 31, 2026; and
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6 **WHEREAS**, revenues from the covered lives assessment have still not yet been fully
7 distributed to municipalities/counties for 2022; and
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9 **WHEREAS**, municipalities/counties have received limited guidance on how these
10 funds will be distributed; and
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12 **WHEREAS**, since the covered lives assessment went into effect,
13 municipalities/counties have been experiencing increases to their upfront escrow costs.
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15 **NOW, THEREFORE, BE IT RESOLVED**, the New York State Association of
16 Counties (NYSAC) calls upon the Governor and the New York State Legislature to take
17 measures to expedite the release of the balance of the covered lives revenues to
18 municipalities/counties for the time period covering January 1, 2022, through December
19 31, 2022; and
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21 **BE IT FURTHER RESOLVED**, the State continue their commitment to this critical
22 program, which benefits children with developmental delays and disabilities, being a
23 shared cost between the State and municipalities/counties; and
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25 **BE IT FURTHER RESOLVED**, the New York State Department of Health, Bureau of
26 Early Intervention and New York State Division of the Budget provide
27 municipalities/counties with a schedule as to when the State will issue payments
28 annually from January 1, 2023, through December 31, 2026; and
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30 **BE IT FURTHER RESOLVED**, the New York State Department of Health, Bureau of
31 Early Intervention establish a mechanism other than the county escrow account to remit
32 payments to municipalities/counties; and
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34 **BE IT FURTHER RESOLVED**, the New York State Department of Health, Bureau of
35 Early Intervention change the payment process, so the State provides
36 municipalities/counties with their covered lives share of revenues at the beginning of
37 the State fiscal year; and
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39 **BE IT FURTHER RESOLVED**, the New York State Department of Health, Bureau of
40 Early Intervention provide information on how insurance, service claim, and cost data
41 will be maintained at the child level to ensure funds are being applied fairly across
42 municipalities/counties; and
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44 **BE IT FURTHER RESOLVED**, copies of this resolution be sent to the counties of
45 New York encouraging member counties to enact similar resolutions; and
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1 **BE IT FURTHER RESOLVED**, that NYSAC shall forward copies of this resolution to
2 Governor Kathy Hochul, the New York State Legislature and all others deemed
3 necessary and proper.