



**NYSAC**  
NEW YORK STATE  
ASSOCIATION OF COUNTIES

**EARLY INTERVENTION**



# The State of NYS Early Intervention Program

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# What is Early Intervention? |

The New York State Early Intervention Program (EIP) is part of the national Early Intervention Program for infants and toddlers with disabilities and their families. First created by Congress in 1986 under the Individuals with Disabilities Education Act (IDEA), it was adopted by NYS as Article 25 of the Public Health Law and is administered by the New York State Department of Health through the Bureau of Early Intervention.

This comprehensive service system supports the delivery of NYSEIP services to approximately 65,000 eligible children and their families annually, making New York State's Early Intervention Program one of the largest in the nation.

An eligible child for the Early Intervention Program is under the age of 3 and may show significant delays in any of the five areas of development: cognitive (thinking and learning); communication (understanding and using language); physical/motor (vision, hearing, and movement); social/emotional (getting along with other people); and adaptive/self-help (independent living skills, such as eating, and dressing). There is no income eligibility for families with children who need Early Intervention Program services, and services must be provided to families at no cost to them.

## The County Role

The majority of county health departments administer all Early Intervention services (sometimes this occurs in Youth Bureaus). Early Intervention service reimbursement has improved over the past several years, and the majority of claims are reimbursed within the county fiscal year.







The NYS Comptroller provides a good explanation of the Early Intervention Program:

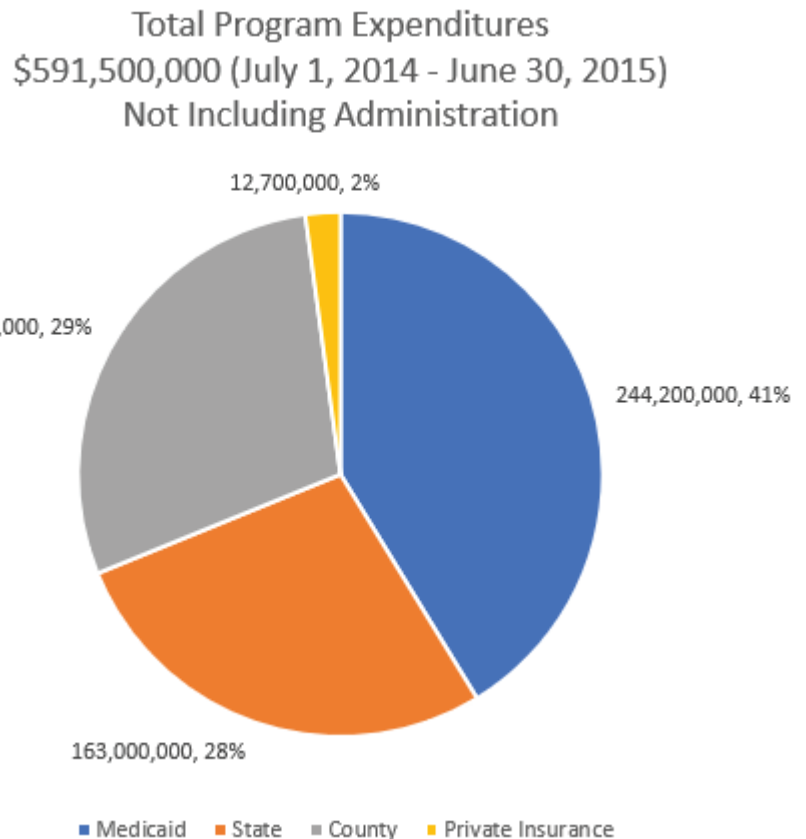
“EI services, such as physical therapy and speech-language pathology services, are provided by about 600-700 agencies and individuals at no cost to an eligible child’s family, and are funded first through third-party payers, including commercial insurers and Medicaid. The remaining costs are shared by the State (49 percent) and municipalities (51 percent) and paid from an escrow account. Of the children served, about 55 percent are covered by Medicaid, including 4 percent who have both Medicaid and other insurance; 23 percent have commercial insurance; and the remaining 22 percent are not insured. The State and municipalities cover about 50 percent of annual EI claims through payments from the escrow account.”

Even though nearly half of the children in the Early Intervention Program have private health insurance, the terms of insurance companies’ policies often do not reimburse for these services. Private insurance recoupment rates remain low.

## Financing Early Intervention

According to the most up-to-date available data, the NYSEIP cost \$591.5 million in 2015, with counties spending close to \$171.6 million. In federal fiscal year (FFY) 2014-2015 (July 1-June 30), the NYS Early Intervention Program received almost 58,000 referrals, completed over 51,148 multidisciplinary evaluations, and had over 65,000 children with an active Individualized Family Service Plan (IFSP). The total cost per child was \$9,100.

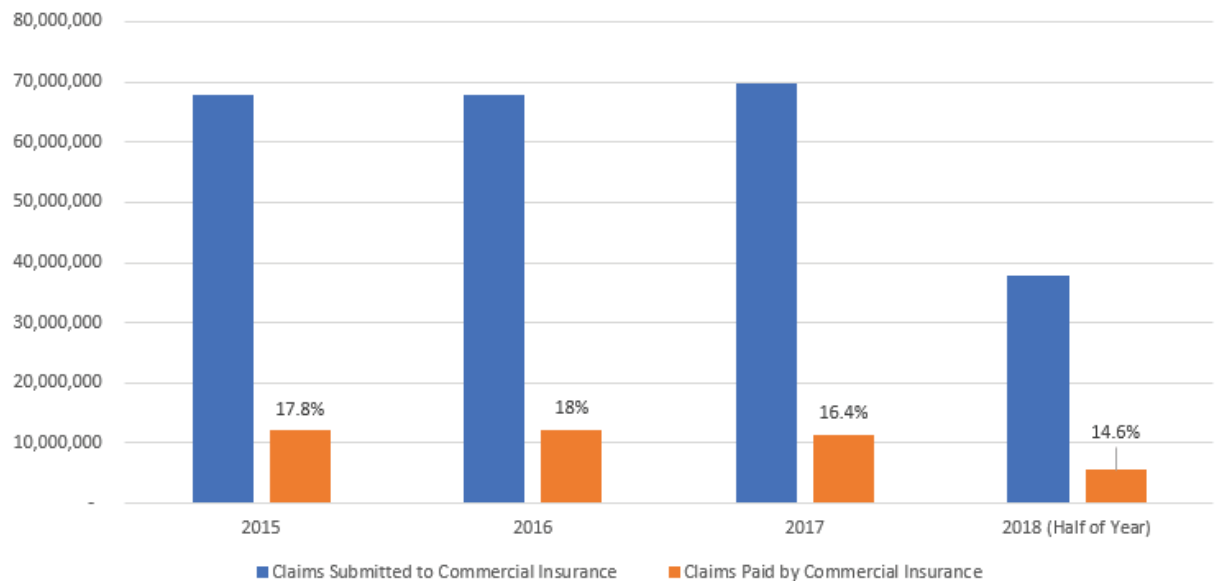
Figure 1: Data from NYS Early Childhood Advisory Council, NYS Fiscal Analysis Model for Early Childhood Services, October 2018



The 2012-2013 New York State Budget reformed the Early Intervention billing and payment process. Prior to the reforms, providers would submit billing claims directly to counties and it was the responsibility of counties to recoup payment from insurance companies and Medicaid. The reforms attempted to relieve counties from the burden of pursuing these reimbursements by requiring the providers to first bill the child's insurer, and then Medicaid, before seeking payment from counties. The State believed that due to its size and leverage, they would increase third party insurance collections and reduce contractual costs with providers.

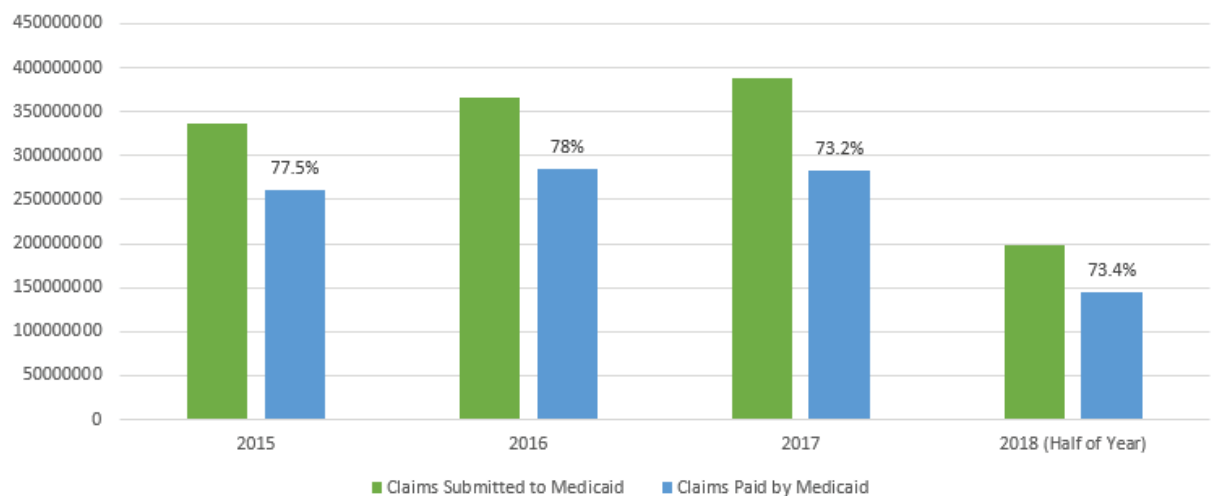
Despite these reforms, counties still struggle with ensuring that private insurance and Medicaid are being billed by service providers before seeking reimbursement from counties. There remains a need to incentivize providers to resubmit denied claims, as these denials are often the result of a minor error, and would be paid in part or full if properly resubmitted. Some providers were not accustomed to billing insurance, and many of them stopped providing EI Services because of these reforms. According to data from the State Department of Health, there is a significant difference between the amount of claims paid by private insurers and Medicaid. See pages 8-9 for more recent data sets.

### Commercial Insurance Reimbursement



### Medicaid Reimbursement

Excludes Transportation, Respite Services & Assistive Technology Devices





## State Fiscal Agent

Another reform implemented under the 2012 state budget was the appointment of a Fiscal Agent by the Department of Health to manage the claiming, contracting, and reimbursement process for providers. Under this new model, claims could still be submitted via KIDS, or NYEIS, and are then forwarded to the State Fiscal Agent (SFA). Following the same guidelines for providers, the SFA will first bill the insurance company, then Medicaid and any remaining balance will be paid out of the county-funded state escrow account. Counties are responsible for depositing necessary funds into the escrow account so that providers will be paid directly from the SFA.

## 2019-20 State Budget Impact

The Governor proposed a 5% rate increase to certain licensed EI providers (Occupational Therapy, Physical Therapy, and Speech Language Pathology). Although the state budget proposal referenced this increase, it did not require legislative action. The rate increase can be made through administrative action and we anticipate that the state will move forward with this proposal.

It is important to note that this does not include Certified Occupational Therapy Assistants or Physical Therapy Assistants.

## County Recommendations For Reform Legislation

Counties support modifications to the SFA to implement policies and procedures to ensure that provider claims are filed within 60 days to maximize commercial insurance Medicaid reimbursement and that the SFA must implement systematic changes to the billing system to track claims.

Counties continue to struggle with the availability of providers. Counties urge the NYS Department of Health to consider other models of service delivery options for counties to use, including telemedicine, primary medicine, and routine-based intervention to address the lack of available providers in many areas of the state.

Changes to regulations now require all claims to be submitted within 90 days from the date of service unless the provider can demonstrate extenuating circumstances.



## Proposed Legislation

One piece of legislation introduced this year, S3737(Breslin) / A2962(Paulin), prohibits accident and health insurance policies from excluding coverage for Early Intervention services. This bill states that no insurer, including a health maintenance organization can deny payment of an early intervention claim based on: (1) the location where services are provided (2) the duration of the child's condition and/or that the child's condition is not amenable to significant improvement within a certain period of time as specified in the policy; or (3) that the provider of services is not a network or participating provider.

Lastly, the bill provides that a covered service provided under the insurer's policy or the individualized family services plan, once certified by the early intervention office will satisfy any precertification, reauthorization or medical necessity requirement imposed under the policy. Counties support the enactment of this proposal.

This bill and similar language has been introduced since 2002 but has been unable to move out of the insurance committee.

Another bill introduced this year, S3338 (Carlucci) / A356 (Paulin) (2019-20 Legislative Session), provides for a system that streamlines the process by which funds are distributed to municipalities to finance early intervention programs, thereby providing vital relief to the municipalities across the state, and to improve their ability to more effectively administer early intervention services to children who need such services.

Assemblyman Daniel O'Donnell introduced A4684 in 2018 to require that private health insurers accept the Early Intervention Individual Family Service Plan as documentation of pre-authorization and prior approval services.





## Additional Information

- [www.health.ny.gov/community/infants\\_children/early\\_intervention/](http://www.health.ny.gov/community/infants_children/early_intervention/)
- [parenttoparentnys.org/images/uploads/pdfs/parents\\_guide\\_to\\_early\\_intervention.pdf](http://parenttoparentnys.org/images/uploads/pdfs/parents_guide_to_early_intervention.pdf)
- [www.eifamilies.com/faq/question?category\\_id=100000](http://www.eifamilies.com/faq/question?category_id=100000)

The NYS Department of Health presented during the NYSAC 2019 Legislative Conference on the Early Intervention Program. You can view a copy of their presentation on the NYSAC website at:

[www.nysac.org/files/2019%20Early%20Intervention-%20NYSDOH.pdf](http://www.nysac.org/files/2019%20Early%20Intervention-%20NYSDOH.pdf)

**Excludes Transportation, Respite Services, and Assistive Technology Devices.**

## Medicaid Reimbursement

Year	Quarter	Claims Submitted to Medicaid	Claims Paid by Medicaid	Percent Reimbursed
2015	1	\$76,975,382.67	\$60,070,173.43	78.04%
	2	\$87,104,609.68	\$67,517,014.96	77.51%
	3	\$93,558,461.62	\$71,450,671.88	76.37%
	4	\$78,992,293.42	\$61,683,167.18	78.09%
2016	1	\$85,706,491.86	\$67,683,584.82	78.97%
	2	\$94,820,033.36	\$73,717,164.68	77.74%
	3	\$98,612,676.42	\$77,473,266.30	78.56%
	4	\$86,434,900.14	\$66,356,847.86	76.77%
2017	1	\$90,151,452.39	\$67,434,775.51	74.80%
	2	\$102,754,132.18	\$75,148,869.13	73.13%
	3	\$105,391,221.15	\$76,060,684.70	72.17%
	4	\$89,254,896.47	\$65,082,101.31	72.92%
2018	1	\$93,199,791.44	\$68,703,213.81	73.72%
	2	\$104,317,465.74	\$76,254,864.64	73.10%

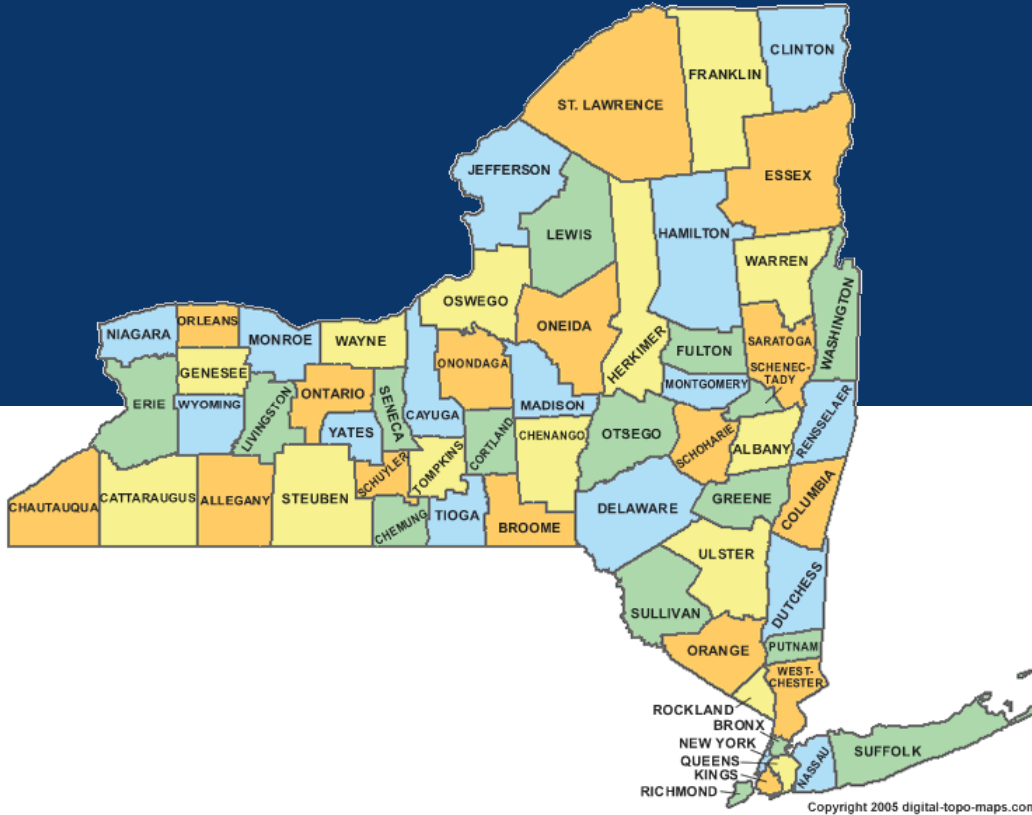


# Commercial Insurance Reimbursement

Year	Quarter	Claims Submitted to Commercial Insurance	Claims Paid by Commercial Insurance	Percent Reimbursed
2015	1	\$17,236,834.68	\$2,442,865.89	14.17%
	2	\$18,647,949.50	\$3,201,811.20	17.17%
	3	\$18,853,448.50	\$3,496,439.94	18.55%
	4	\$16,076,339.67	\$2,955,568.56	18.38%
2016	1	\$16,474,961.00	\$2,477,843.59	15.04%
	2	\$17,799,853.00	\$3,231,329.36	18.15%
	3	\$17,613,521.50	\$3,589,161.12	20.38%
	4	\$15,959,590.00	\$2,932,798.63	18.38%
2017	1	\$15,672,070.00	\$2,179,881.54	13.91%
	2	\$18,150,725.00	\$3,209,248.48	17.68%
	3	\$18,849,940.50	\$3,275,842.93	17.38%
	4	\$17,007,579.00	\$2,773,111.71	16.31%
2018	1	\$17,777,353.57	\$2,258,701.44	12.71%
	2	\$19,981,816.00	\$3,237,408.63	16.20%

Represents all claims that were submitted to commercial insurance.





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