

***FY 2014-15
Annual Report
of
Early Intervention Services***

Submitted to

Joint Budget Committee

and

Senate Health and Human Services Committee

House Public Health Care and Human Services Committee

Senate Education Committee

House Education Committee

November 1, 2015

by

Colorado Department of Human Services

Office of Early Childhood

Division of Community and Family Support

1575 Sherman Street, 1st Floor

Denver, CO 80203

303/866-5468 (voice)

303/866-5200 (fax)

Early Intervention Services FY 2014-15 Annual Report

The Department of Human Services is submitting the following report in accordance with Section 27-10.5-710, C.R.S. (2015):

(1) By November 1, 2008, and by November 1 each year thereafter, the department shall submit an annual report to the general assembly regarding the various funding sources used for early intervention services, the number of eligible children served, the average cost of early intervention services and any other information the department deems appropriate. The department shall submit the report to the joint budget committee as part of the department's annual budget request. The department shall also submit the report to the health and human services committees, the education committees of the senate and house of representatives, or any successor committees.

(2) The department shall request, and certified early intervention service brokers and qualified early intervention service providers shall provide, information regarding early intervention services that the department needs to prepare the annual report required by this section or other required federal or state reports.

Background and Program Description:

In FY 2014-15, the Early Intervention (EI) Program was administered by the Division of Community and Family Support (DCFS) under the Office of Early Childhood (OEC) of the Colorado Department of Human Services (DHS). DCFS provides EI services to infants and toddlers, birth through two-years of age, who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. These services provide eligible infants and toddlers, and their families, with the interventions needed to enhance child development in the areas of cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills.

DCFS contracts with 20 Community Centered Boards (CCBs) to deliver the statewide, community-based services. CCBs are private non-profit organizations that are designated annually by the DHS as the single entry point into the long-term service and supports system for persons with developmental disabilities under Sections 27-10.5-102 (3) and 105, C.R.S. (2015). Each CCB has a non-overlapping geographic service region of one to 10 counties. CCBs are responsible for intake, eligibility determination, providing service coordination that includes Targeted Case Management, service plan development, arrangement for services, delivery of services, monitoring of services, and many other functions.

CCBs are designated by the DHS as Certified Early Intervention Service Brokers under Section 27-10.5-702 (3), C.R.S. (2015). CCBs deliver services directly and/or contract

with qualified individual EI professionals to provide EI services to eligible infants and toddlers.

FY 2014-15 Utilization Data:

The numbers for eligible children served were submitted by the CCBs to the DCFS through data entered in the DDDWeb, the statewide database.

1) The number of eligible children served

13,316¹ = The total unduplicated count of infants and toddlers served as reported by CCBs at any point during the fiscal year. This represents a 4.8% increase from FY 2013-14 unduplicated count of 12,703.

Due to the narrow window of eligibility for EI services, birth through two-years of age, and the variety of characteristics of developmental needs of the children, the program experiences a high turnover rate. While the yearly unduplicated count does provide a good representation of the demand on the program in relation to the volume of referrals, intake, eligibility determinations and initial Individualized Family Service Plan (IFSP) development, it can appear misleading as to the level of ongoing demand for EI services. A more discerning measure of the ongoing demand for direct services is a monthly average.

7,340 = The total unduplicated average count of children served each month per DDDWeb. This represents an increase of 6.6% from FY 2013-14 unduplicated average count of 6,885, and an increase in the rate of growth compared to the 6.0% growth reported in FY 2013-14.

2) The average cost of EI services considering all funding sources used

\$6,309 = The average annual cost per child in FY 2014-15 for all EI services and service coordination based on the average amount paid per child with all available funds². The rate is calculated by the total revenue from all sources divided by the average number of children enrolled per month ($\$46,309,979 \div 7,340$). The average cost figure includes the following expenditures that are not captured in the DDDWeb database but rather are reported in the Medicaid Management Information System (MMIS) for Medicaid and by the CCBs in a year-end Revenue and Expenditure Report:

- a) Medicaid direct service funds may include payment for services provided in addition to those that are identified as EI services. The billing codes in the data system within the MMIS were not able to distinguish between the direct services provided through an EI program and those that may have

¹ This count represents all the children who were determined eligible for EI services, had an active Individualized Family Service Plan (IFSP) at some point during the year, and who received one or more EI services during the fiscal year.

² Data is based on annual expenditures from DDD Web, MMIS, DHS South Accounting reports for the Early Intervention Services Trust, and unaudited Revenue and Expenditure Reports from the CCBs.

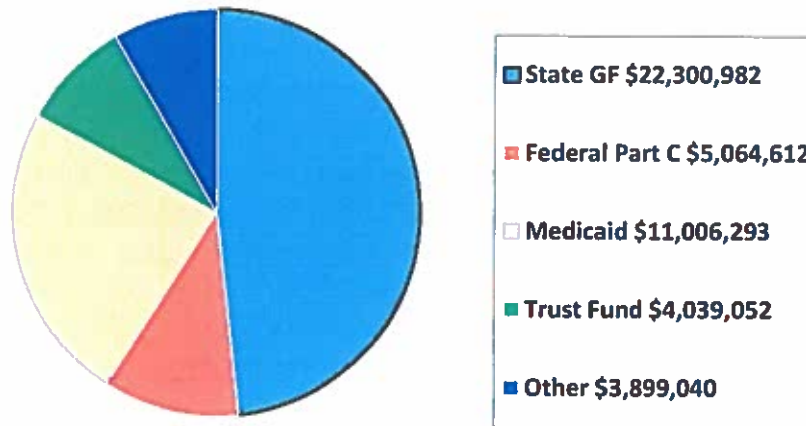
been provided in a clinic or hospital setting. Effective July 1, 2015, a new EI billing code modifier is used for tracking in the MMIS system to provide more accurate reporting of the EI services covered by Medicaid;

- b) Private insurance funds paid by private insurance plans, including TRICARE, that are not subject to the Early Intervention Services Trust and are not captured in the DDDWeb; and,
- c) Other funds reported by the CCBs but not captured in the DDDWeb nor aligned specifically to individual child records.

The following chart in Table 1 illustrates the FY 2014-15 total expenditures for each of the funding sources used for services for infants and toddlers enrolled in the EI Colorado program as captured in:

- DDDWeb for State General Fund and federal Part C Funds;
- Utilization reports that are generated through data matches between the MMIS and DDDWeb for services funded under Medicaid;
- Payment reports provided by DHS South Accounting for the Early Intervention Services Trust; and,
- Year-end Revenue and Expenditure Reports completed by CCBs to report other revenue used by the CCBs for EI expenditures that are covered by private insurance plans not included under Section 10-15-104 (1.3), C.R.S. (2015) and may include mill levy funds and other funding sources.

Table 1: FY 2014-15 Total Expenditures By Funding Sources³



In accordance with Section 27-10.5-706, C.R.S. (2015), the Department must use a coordinated system of payment for EI services. The Department has developed a

³ FY 2014-15 total expenditures are higher than FY 2014-15 appropriation due to data reported by the CCBs in their Revenue and Expenditure Reports that are not captured in the state data systems.

funding hierarchy that is used by the CCBs during the IFSP development process to identify the possible funding sources that may be available to each child. The funding hierarchy is arranged in the order in which funding sources are accessed for service payment. Beginning from the top of the hierarchy and moving downward, if a funding source is not available then the next source down on the list is considered until an appropriate funding source is located. The funding hierarchy is as follows:

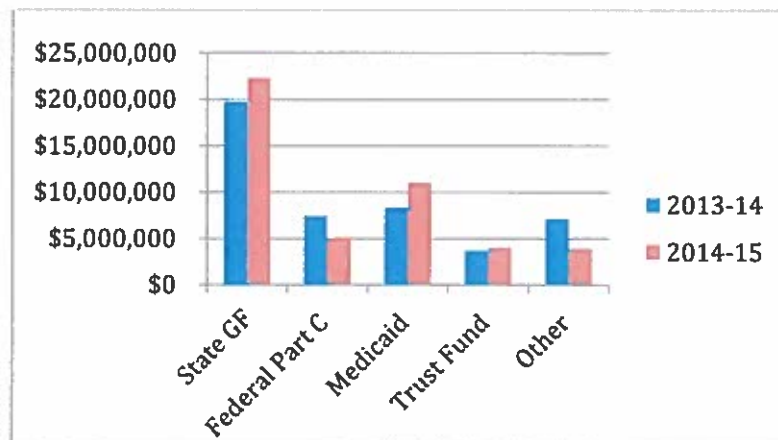
- Use of Private Pay (voluntary, at discretion of parent)
- Private Health Insurance Plan (with written consent of the parent)
- TRICARE, a Military Health System
- Medicaid (Title XIX), Home and Community Based Services (HCBS) Medicaid Waivers, and Child Health Plan Plus (CHP+)
- Child Welfare and Temporary Assistance to Needy Families (TANF)
- Other local, state or federal funds, including mill levy funds (as may be made available)
- State General Funds (GF)
- Federal Part C of IDEA Funds

FY 2014-15 was the eighth year in which the EI Colorado program utilized the funding hierarchy and tracked the use of funding sources other than state or federal funds. Under the coordinated system of payment, one of the goals is “. . . to ensure that available public and private sources of funds to pay for Early Intervention Services for eligible children are accessed and utilized in an efficient manner.” Therefore, additional funding sources are accessed to either fully fund a child’s EI services through these other funding sources or to supplement the use of state or federal funds, thus requiring fewer or no state or federal funds to be used.

Additional Information:

In November 2014, the Alliance/Office of Early Childhood Early Intervention Task Force began focusing on strategies to strengthen the implementation of the coordinated system of payments and increase the utilization of Medicaid. Table 2 illustrates the impact of this effort by the Task Force, state staff and local programs.

Table 2: Public and Private Funds Accessed for EI Services and Service Coordination



The coordinated system of payment and funding hierarchy continue to achieve the intended outcomes. Multiple funding sources are being effectively accessed to provide EI services. Medicaid expansion and increased access to qualifying private health insurance plans yielded a gain in alternate funding sources. However, the federal Part C grant funds have not kept pace with the rate of growth. The federal FY 2014-15 funds for the Early Intervention Program are only 1.16% higher than the FY 2007-08 award while the unduplicated count of children served in Colorado increased 74.09% in the same time period. Colorado is the second fastest growing state among those states with similar eligibility criteria. Therefore, the additional costs associated with the growth in caseload must shift to other available funding sources in the hierarchy, including the General Fund.

Overall, the EI program continues to successfully meet the needs of infants, toddlers and their families. Ninety-nine percent (99%) of children with significant delays in development who received EI services in FY 2014-15 showed improvement in their acquisition and use of knowledge and skills (motor, cognition, speech, language, etc.). Ninety-six percent (96%) of parents participating in EI services reported that the services helped their family to help their children develop and learn. Additionally, per the DDDWeb, 43% of the children who exited EI services in FY 2014-15 did not go into preschool special education (Part B) services. This supports the tenets of early intervention to intervene early and improve the developmental outcomes for young children with developmental delays.

The demand for CCBs to conduct initial eligibility evaluations increased in FY 2014-15 as some school districts were experiencing challenges in meeting the federally required 45-day timeline for completing Child Find evaluations for referred infants and toddlers. In FY 2007-08, there were 69 children who had to have their evaluation completed by a CCB compared to the 255 evaluations conducted by CCBs in FY 2014-15 due to local Child Find teams being unable to meet the 45-day timeline. The DHS will continue to work with the Department of Education to support local school districts in meeting their obligations to provide evaluations for children referred to the EI system.