

Report: Early Intervention fragmented, underfunded

Report

Reimbursement poor; providers dropping out

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Providers of special education services to young children are hampered by a minefield of structural funding problems, according to a new report by The Children's Agenda, leading to an exodus from the field at the very time when the importance of early intervention is becoming more apparent.

The report, issued Thursday, attempts to address a very complicated question: How much does it cost an organization to provide speech, occupational or physical therapy to children ages 0-4, and how does that compare to actual revenue?

Among the findings and recom-

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mendations in the report, written by Early Childhood Policy Director Pete Nabozny:

■ Reimbursement rates for services in Early Intervention (ages 0-3) and preschool (ages 3-4) are less than the cost of services and should be increased by up to 41 percent.

■ Providers get much more state funding for 3- and 4-year-olds than for Early Intervention (ages 0-3). The distinction has little to do with the actual cost of providing those services and has led many providers to abandon Early Intervention altogether.

■ The system is needlessly complicated and should be consolidated at the state level.

The logic of Early Intervention is well established: the sooner that babies and toddlers get attention for developmental delays, the more easily (and inexpensively) the problems can be addressed.

In New York and elsewhere, though, the system in place to meet those needs is distributed among several state and local agencies and requires a great deal of administrative energy to navigate. That administrative cost is part of the reason the reimbursement rates fall short.

The basic reimbursement rate for most speech, occupational or physical therapy, for instance, is \$86 per hour, down slightly from \$94 per hour 20 years ago. Adjusted for inflation, that rate would be \$151 per hour.

That financial strain has led many providers to quit Early Intervention altogether, in turn decreasing the options available for families in need. One in five of those families spent time on a waiting list in the first six months of 2017, according to the study. Among 3-year-olds identified as needing services, the average wait time was eight months.

State Sen. Rich Funke, R-Perinton, said part of the fault lies with the state Education and Health departments, which have seen funding increases but, he said, swallowed them up in administrative costs rather than increasing reimbursement rates for providers.

Funke intends to ask those departments to raise their reimbursement rates “based on increased funding that was provided to them in the previous two budgets,” according to a statement from his office.

The Children’s Agenda report suggests legislation that would require private insurers to pay more of the cost. A state comptroller’s audit showed those insurers manage to escape paying many claims for services, forcing the state to supply the difference.

Gov. Andrew Cuomo pointed to the same issue in his executive budget and would have required providers to pursue private insurance more vigorously before appealing to the state for reimbursement. Providers complained that would only increase their administrative costs, and the measure was not included in the enacted budget.

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Lindsay Schmitt, a speech therapist for Liberty Post STARS Preschool, reads a book to her student Gabriel Foreman. Together, they say the names of the different animals listed in the book.

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