Justin Murphy

Rochester Democrat and Chronicle USA TODAY NETWORK

When Monroe County Executive Cheryl Dinolfo announced in March she was proposing a 15% “across-the-board” increase in reimbursement rates for preschool special education, providers and advocates hailed it as a significant step toward fixing a broken system.

Two months later, they read the fine print.

Rates for individual service sessions, with one specialist and one child, were indeed going up 15%. But rates for group services, where several children are helped together, were going down by the same amount, or more in some cases. And the total budgeted amount for the program did not change.

The promise to “increase all countyset reimbursement rates for local preschool special education service providers,” as the county put it in a press release, was somewhat more nuanced than it seemed at first.

County spokesman Jesse Sleezer pointed out that the new rates were distributed in March, including in the packet of information county legislators received before voting on the measure. But Pete Nabozny, director of policy for The Children’s Agenda, said providers were “shocked” when they got formal notification two weeks ago.

He noted many providers had planned to use the additional funding to give raises to staff who haven’t gotten one for a decade or more.

“We’d like to see the county be more transparent and collaborative in these things,” he said. “We have to take pause every time the county announces something like this and think: ‘What’s in the fine print?’”

Rates changed after protest

Providers objected to the new rate structure when they saw it in detail earlier this month. They met with county officials last week and negotiated a better deal, where group rates will remain at the 2018-19 level and individual rates will increase.

Sleezer noted that it was the providers who had requested separate individual and group rates; in the past both types of service have been reimbursed equally.

Heather Hanson, Chief Operating Officer of Step By Step Pediatric Therapy Center in Brighton, said her agency had begun to plan based on its understanding of Dinolfo’s 15% pledge but nonetheless was waiting for final information before making any decisions.

“Trust-building (with the county) is a component we’ve had to deal with, and we all felt like we’d believe it when we see it,” she said.

Pre-K special ed providers: Dinolfo broke promise for 15% increase

Two-part problem persists

Pre-K special education refers to services such as speech, physical or occupational therapy for children ages 3-4; about 2,700 children were helped in Monroe County in 2017-18. A roughly parallel system for children ages 0-3 is called Early Intervention.

Providers in both areas have warned of a tightening financial crisis, where state reimbursement rates don’t match the cost of providing services. As a result, numerous agencies have left the system altogether.

There are many small but important differences between pre-K special education and Early Intervention; in fact, Nabozny’s 2018 report on the issue highlighted that very complexity as one of the major obstacles to improvement.

Among other things, pre-K special education rates are set by counties, while Early Intervention is set by the state. Dinolfo’s action, therefore, served as a challenge to the Democratic state government.
“Obviously it was something to be perfected along the way,” Sleezer said. “What we were able to do was find a slightly more efficient way to set those rates.”

While Dinolfo in March described the rate increase as “enhancing the ... investment we make in this great program already,” the budgeted amount for reimbursements is in fact staying flat at $25.7 million.

The cost of the rate changes can be covered through a midyear budget adjustment if necessary, Sleezer said, but is not significant enough to require new dedicated county money — even with the late increase in the group rates.

“I don’t think anyone said it would be a significant outlay where we need to find a new funding source,” Sleezer said.

In a March memo, county Chief Financial Officer Bob Franklin said the additional annual expenditure would be up to $800,000, or about 8.4% beyond the current-year budget line, and could be covered through existing appropriations.

Legislature Minority Leader Cynthia Kaleh said she hadn’t noticed the posted rates before the vote because, “quite frankly, we heard the same thing that the public heard — they clearly said they were going to raise it across the board, so there was no reason not to believe them.”

“The question goes back to Cheryl and the administration,” she said. “Why didn’t they explain this to the

The confusion over the pre-K special education rate increase, Nabozny said, blunts the effectiveness of that political message and puts the focus back on Dinolfo, who already came under criticism late last year for proposing, then rescinding, a waiting list for some sorts of services.

“We know, at the least, that it’s not a 15% across-the-board increase, as stated by the county many times,” he said.

**Dinolfo**