Early Childhood Intervention Services Implementation Plan for Maximizing Funding Progress Report

As Required by 2020-21 General Appropriations Act, 86th Legislature, Regular Session, 2019 (Article II, Health and Human Services Commission, Rider 98)

Health and Human Services Commission

March 2020
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Executive Summary

The Early Childhood Intervention Services Implementation Plan for Maximizing Funding Progress Report for March 1, 2020, is submitted in compliance with the 2020-21 General Appropriations Act, House Bill 1, 86th Legislature, Regular Session, 2019 (Article II, Health and Human Services Commission [HHSC], Rider 98). This progress report discusses potential untapped funding sources and other strategies for maximizing funding or cost savings in the Early Childhood Intervention (ECI) program.

The ECI program contracts with local organizations across the state to provide therapies and other rehabilitative services to families of children with developmental delays or disabilities from birth to 36 months in accordance with Part C of the federal Individuals with Disabilities Education Act (IDEA). Currently, contractors bill Medicaid, the Children’s Health Insurance Program (CHIP), TRICARE, private insurance, and families for eligible services. Services that are not covered by insurance or family fees, as well as the administrative costs of operating an ECI program, are reimbursed through the contract with HHSC. ECI contractors also obtain additional local funds to support their operations and comply with maintenance of effort requirements in the contract. ECI accesses a total of 17 federal, state and local funding sources to implement its Part C program.

This progress report describes the steps ECI is taking to implement the plan described in the Early Childhood Intervention Services Implementation Plan on Maximizing Funding submitted September 2019. ECI sought stakeholder input on strategies for maximizing funding and cost reductions and researched other states’ Part C programs to determine if they are using funding sources Texas ECI is not currently accessing. ECI also examined its contract to determine if restructuring it might result in contractors expending the maximum amount of funding available. The program has been meeting with other agencies to identify opportunities for funding collaboration, including Department of Family and Protective Services (DFPS), Texas Workforce Commission (TWC), and Department of State Health Services (DSHS). The program has also been coordinating internally with client services programs within HHSC, including Intellectual and Developmental Disabilities-Behavioral Health, Medicaid, and CHIP.
Rider 98 requires HHSC to submit a series of four reports to the Office of the Governor, the Legislative Budget Board, and the permanent committees in the House of Representatives and the Senate with jurisdiction over health and human services. The initial report detailing the implementation plan for maximizing funding for ECI providers, including strategies to be explored, was submitted on September 1, 2019. This second report, due March 1, 2020, documents the strategies HHSC has determined to be most feasible and likely to result in increased funding or cost savings. Subsequent reports, due September 1, 2020, and March 1, 2021, will document progress toward implementing those strategies.
Background

ECI is a statewide program administered by HHSC for families with children birth to 36 months with developmental delays, disabilities or certain medical diagnoses that might impact development. ECI services support families as they gain the skills and resources needed to help their children grow and learn.

Eligibility requirements include:

- a developmental delay of at least 25 percent in one or more developmental areas;
- a qualifying medical diagnosis with a high probability of resulting in a developmental delay; or
- a hearing or visual impairment as defined by the Texas Education Agency in Texas Administrative Code Title 19, §89.1040.

ECI federal regulations, overseen by the Office of Special Education Programs (OSEP) within the U.S. Department of Education, have entitlement-like expectations, meaning all eligible children must be served and there can be no waiting or interest lists; however, the funding is capped. (For more detailed information, please see Appendix A.) Additionally, to draw down IDEA Part C funding, there must be statewide coverage. All eligible children in Texas must be offered the full array of services, as appropriate, based on the results of the child’s evaluation and assessment of the child and family’s strengths and needs.

ECI services include occupational, physical and speech therapies, as well as specialized skills training (SST), a service unique to ECI, which focuses on optimizing the child’s global development. Other services include behavior intervention, counseling, nutrition, social work, specialized services to address auditory and visual impairments, and an array of other services required by IDEA Part C. Additionally, each child and family receives case management from the time they are referred to ECI, including transition services to help families identify and access necessary services after the child’s third birthday.

Services must be provided in the child’s home, child care center, or other settings in which the child and family typically spend time. ECI services are team-based, with providers from a variety of disciplines available to assess and treat children as appropriate. ECI services differ from those of other pediatric therapy providers in that they are based on the evidence-based practice of coaching. In the coaching approach to service delivery, providers focus on teaching parents to incorporate
intervention strategies into the family’s daily activities, such as bath time, meals, or getting dressed.

Research shows ECI programs have a positive impact on children and their families and are often vital for later success in school and the community. In addition, the program has been found to save taxpayer dollars in public education, criminal justice, health care, and other social services. For more information on the value of the ECI program, see Appendix B.

HHSC ECI contracts with local agencies, including community mental health and developmental disability centers, school districts, education service centers, and private, non-profit agencies to deliver the full array of IDEA Part C services. Eighteen contractors have exited the program since 2010, often citing funding challenges, including repeated years of financial losses incurred in delivering ECI services. In a 2017 contractor survey, 90 percent of responding ECI contractors reported engaging in significant cost-saving measures such as downsizing staff, delaying hiring, reducing staff benefits, reducing child find efforts, and delaying system upgrades or equipment purchases. About one-third of ECI contractors reported that they must contribute funds from other lines of their agency’s business to avoid losses in their ECI programs each year. The amount of funds contributed have ranged from a few hundred dollars to almost $800,000.

HHSC has worked closely with ECI contractors to identify administrative efficiencies and implemented changes to the Texas Administrative Code to incorporate these efficiencies into requirements. The new rules went into effect on June 28, 2019.

ECI is currently funded by a variety of sources. From the federal government, the program receives IDEA Part C funds, IDEA Part B funds, Temporary Assistance for Needy Families (TANF) funds, Medicaid Administrative Claiming funds, and Medicaid funds for SST and Targeted Case Management (TCM). From the state, ECI receives general revenue and Foundation School Funds, as well as general revenue funds specifically designated as match for Medicaid for SST, targeted case management, and Medicaid Administrative Claiming, and funding for respite services. For a visual representation of the various funding sources, see Appendix C.

Under the Code of Federal Regulations, Part C is the payor of last resort and the lead Part C agency is required to identify and coordinate available funding sources to pay for Part C services. States may choose to develop a system of payments that includes family fees for services; Texas uses a system of maximum monthly fees based on family income and other variables. Part C funds that are unspent at the end of the year can be carried over and spent in future years.
Additionally, ECI contractors are required to bill public and private insurance for delivered services, when possible, and to pursue additional maintenance of effort funds. ECI contractors also bill families according to the Family Cost Share fee schedule established by HHSC. More than half of ECI contractors’ budgets are collected outside of the cost-reimbursement contract through third party reimbursement for direct services, and there has been an $18.6M increase in revenue generated from local collections since fiscal year 2013.

Currently, Texas ECI accesses 17 funding sources to support its Part C program, which is more than any other state in the country. According to a 2018 survey by the Infant and Toddler Coordinators Association, which included responses from 47 state Part C coordinators, states are accessing between one and 17 funding sources. The states with the next highest number of funding sources accessed was 12, and the average of all 47 responding states was six funding sources. Only 27 states (57.4%) reported that they access private insurance, and 17 states (36.1%) reported that they have implemented family fees.

HHSC developed an implementation plan to investigate a variety of potential methods of increasing funding for the ECI program. The strategies identified in the plan, which is documented in the Early Childhood Intervention Services Implementation Plan for Maximizing Funding submitted September 2019, include pursuing additional Medicaid funds, coordinating with the Texas Education Agency (TEA) to explore the possibility of drawing down additional federal funds, working with the Centers for Medicare and Medicaid Services (CMS) and other federal agencies to identify additional funding opportunities, and determining whether funding through other state agencies is available. Other strategies identified in the plan are determining whether restructuring ECI provider contracts could result in expending all allocated funds, as well as exploring potential opportunities for cost savings. The implementation plan also included methods for prioritizing those strategies that may be most effective.

This second report documents how HHSC has begun implementing this plan, including working with stakeholders to identify potential opportunities for maximizing funding, exploring whether changes to the ECI contract could result in better use of funding, coordinating with Medicaid policy staff to determine if additional Medicaid funding might be available for ECI providers, coordinating with other programs and state agencies to identify potential untapped funding streams, and investigating opportunities for cost savings. This report also identifies those specific strategies that HHSC has determined are most likely to result in increased funding or cost savings, as well as how HHSC will continue to work toward further exploring and implementing those strategies.
Identification and Evaluation of Potential Strategies

Stakeholder Input

In addition to identifying potential strategies internally, HHSC solicited feedback from stakeholders from October 2, 2019 through October 25, 2019 requesting ideas for maximizing funds and cost savings. HHSC received more than 130 unique suggestions from 14 stakeholders, including ECI program directors and other leadership staff from agencies providing ECI services, advocates for ECI families and service providers, and staff of other state agencies.

Comments included recommendations that could result in maximizing funds or cost savings. HHSC is currently investigating the feasibility of these recommendations. These include working with Medicaid to address challenges with reimbursement and exploring opportunities to access additional funding. Other suggestions HHSC is exploring include amending the rule to allow for more efficiencies and removing the responsibility for billing from the local providers.

ECI Contract Structure

ECI contractors are funded from a variety of revenue sources. These include the ECI contract, both public and private insurance, family payments, Medicaid Administrative Claiming funds (public entities), and miscellaneous local funds supplied by each contractor. Additionally, the ECI contract itself is funded from a variety of sources including: IDEA Part C, IDEA Part B, Foundation School Funds, TANF, and state general revenue. Each funding source may pay for specific aspects of the ECI contractor’s expenses. For instance:

- IDEA Part C pays for the administration and provision of ECI services.
- IDEA Part B pays for initial evaluations.
- TANF pays for case management and nutrition services for TANF-eligible clients.
- Foundation School Funds pay for case management, nutrition services, specialized skills training, occupational therapy (including evaluations), physical therapy (including evaluations), speech therapy (including evaluations), and transition services for clients who do not qualify for Medicaid at the time services are delivered.
- State general revenue pays for the administration and provision of ECI services and respite services.
Medicaid pays for Targeted Case Management (TCM) and Specialized Skills Training (SST).  

Therefore, for some funding sources, such as IDEA Part B, TANF, Foundation School Funds and Medicaid for TCM or SST, the ability to draw down these funds is directly contingent on ECI contractors’ ability to provide specific services to specific eligible populations. In addition, IDEA Part C is required to be the “payor of last resort.” This means all of the other funding sources that cover the same services, such as state general revenue, must be expended completely before IDEA Part C funds can be utilized. Additionally, due to federal maintenance of effort requirements, HHSC must ensure it uses the required amount of general revenue dollars to maintain the state’s effort toward the program.  

Currently, the ECI contract is based on cost reimbursement and operates on a "Total Budget" concept. Contractors bill the ECI program monthly. When a contractor submits a voucher to the ECI program, they must include supporting documentation that outlines their expenses for the month as well as any program income (e.g., revenue from Medicaid or other third-party payors) generated during the same time. They are reimbursed the difference between their expenses for the month and the program income generated because of the grant. This ensures all costs incurred for the month are paid with a combination of the funds from their ECI contract and any program income received during that time.  

This contract structure incentivizes local collections and ensures compliance with federal law prohibiting the use of federal and state funds to satisfy a financial commitment for services that would otherwise be paid from another public or private source. The majority of ECI contract funds unexpended at the end of a fiscal year are federal IDEA Part C funds since all other sources of funds not earmarked for specific services must be expended before IDEA Part C. In recent years ECI has been appropriated Part C funding above what has been provided in the annual grant and has used carried-forward Part C funds to bring the overall funding available for services up to the appropriated amounts.  

As an example of the amount of funds typically left unexpended each year, in state fiscal years 2018 and 2019, while ECI contractors respectively left $2.7 million and $3.0 million of their contract funds unexpended, the majority of contractors expended 100 percent of their award. Overall, contractors expended on average 95 percent of their awards these years. 

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1 ECI contractors will also bill Managed Care Organizations for other allowable expenses through Medicaid.
Contractors who do not voucher the state for the full amount of their contract award may have sufficient local collections to cover their expenditures due to serving high Medicaid populations or may have experienced unexpected staff vacancies or other unplanned circumstances that prevented them from spending their total available budget. The system’s inability to completely exhaust all available Part C funding in a given year is typically driven by both its success in maximizing local collections and by factors beyond the control of the State or the ECI contractors. Because the unspent funds are typically Part C funds that can be carried forward, there is not a significant need to ensure every Part C dollar is spent in the fiscal year it is appropriated.

Contractors whose expenses exceed their revenue collected from third-party payers, and their reimbursement available from the state, may have experienced under-enrollments that impeded their ability to maximize third-party collections or over-enrollments that exceeded available dollars to cover costs. Because such shortfalls may not become apparent until near the end of a fiscal year or may be accompanied by (or even driven by) lower numbers of hours of service delivered, the ECI state office may be unable or unwilling to execute contract adjustments to address these shortfalls based on the amount of time remaining in the contract year or on the contractor’s ability to meet performance measures.

**Efforts to Maximize Expenditures**

In most years, the ECI program conducts a mid-year adjustment to contracts to maximize contractor expenditures. Specific performance measures, including child counts and monthly average service hours, are reviewed to identify contractors that may need additional funds as well as those that may need a downward adjustment. In FY19, because of a $1.5 million supplemental budget increase, selected contracts were only increased by this amount.

In September 2019, ECI contracts and finance staff completed a review of contractors’ historical respite spending patterns to identify specific contractors who may potentially leave respite funds unexpended. Based on this analysis and in consultation with these contractors to determine local impact, the respite allocation to many of these contractors was reduced and the funds were redistributed to contractors that showed a need for additional respite funds.

The ECI program is currently conducting an analysis of expenditure and performance trends of ECI contractors to optimize allocation of funds. The data points included in this analysis range from annual expenditure rates, average hours served, monthly enrollment and served averages, therapy utilization rates and others.
Options for Reducing Administrative Burden of Collection Efforts

The ECI program received comments from stakeholders on outsourcing third-party billing for ECI services and is currently assessing if cost savings may be realized by outsourcing this billing for the entire field of contracted ECI programs versus contractors maintaining in-house third-party billing infrastructure.

HHSC ECI has been interviewing state colleagues in Connecticut and New York who currently outsource their third-party billing. The ECI programs in these states are structured differently than the Texas ECI program; therefore, information gathered was limited to the process each state undertook while transitioning to their third-party billing vendor.

To better understand if such a transition would benefit Texas, the ECI program is conducting an analysis of current contractor financial information, including personnel costs associated with billing. The ECI program also surveyed all contractors to gain additional information on their actual costs related to billing and the follow-up time necessary to obtain maximum reimbursement.

Potential Use of Quality Incentive Payments

The ECI program has researched the use of quality incentive payments in other programs to determine if such a system would work with the ECI program. Reserving funding for quality incentive payments would further limit the funding available to meet the cost of delivering services. Additionally, because the majority of unspent ECI contract funds remaining at the end of any given year are Part C funds, which are carried forward and expended in the next fiscal year, spending more of these funds in the current year is not critical and would diminish the Part C reserve that the program has come to rely on. For these reasons, the ECI program concludes that quality incentive payments are not a good fit for the program’s current contract and reimbursement structure.

Maximizing Medicaid Funding

HHSC surveyed ECI contractors to ascertain what services they are providing, or would like to provide, that are not currently reimbursed by Medicaid. HHSC ECI staff met with Medicaid policy staff to discuss these findings and other opportunities for increasing Medicaid funding for ECI services. Strategies include:

- Evaluating the rate for SST and other ECI services to ensure an updated reimbursement methodology is being utilized.
- Exploring opportunities for Medicaid reimbursement of coverable Medicaid services that are not currently reimbursed by the Texas Medicaid program.
Exploring opportunities to ensure Medicaid reimbursement is provided for every coverable service.

Providing technical assistance to contractors about what is currently payable, and how to appropriately document and seek reimbursement for those services. For example, pooling TCM increments across a day.

HHSC staff are exploring the feasibility of these ideas based on the cost to Medicaid and other relevant factors and will seek the Centers for Medicare and Medicaid Services (CMS) input as appropriate.

HHCS has also worked to maximize Medicaid funding through telehealth as a delivery method for ECI services. Beginning March 1, 2020, Medicaid will reimburse SST and some occupational therapy and speech therapy services when delivered via telehealth. Some ECI providers are already using telehealth and others are considering it. Travel costs can be considerable for ECI providers, as services must be provided in the child’s home, child care center, or a familiar setting, and reimbursement of these services has the potential to offset costs for providers, especially those who must travel long distances to see families in remote areas.

ECI staff will continue to meet with Medicaid staff to determine whether any of the other strategies discussed could be approved and implemented.

**Exploring Additional Funding Strategies**

HHSC researched funding sources used by other state ECI programs by reviewing the finance survey conducted by the IDEA Infant and Toddler Coordinators Association and identified some additional funding sources (e.g., the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Child Care Development Block Grant (CCDBG), Title V Maternal and Child Health Block Grant, and Title XX Social Services Block Grant funds) utilized in a few other state ECI programs. HHSC contacted these states and found, in most cases, that these funding sources were not being used to provide ECI services, but to supplement additional resources for families. The funding sources utilized in these other states are administered in Texas through HHSC, TWC, DFPS, and DSHS. HHSC has begun conversations internally and with these other agencies to discuss funding availability and, if available, if these funds could be used to support ECI services in Texas.

**Progress on Maximizing Federal Funds**

HHSC ECI accessed additional federal grant funding in the last year to support the activities of ECI providers. HHSC awarded $567,893 in Supplemental Nutrition Assistance Program Education funding to be used by local ECI contractors to provide family education about healthy eating and exercise beginning in federal
fiscal year 2020. Additionally, HHSC ECI was provided some of the state’s Preschool Development Grant-Birth to Five initial planning grant funding in 2019 to support ECI child find efforts in child care centers and training in early autism intervention for ECI providers. ECI worked closely with TEA to identify funding priorities for the application for renewal of the Preschool Development Grant; however, Texas was not awarded a renewal in 2020.

**Foundation Grants**

In the fall of 2019, HHSC was awarded a $300,000 grant from the Episcopal Health Foundation, which will be used to support training for ECI providers in early brain development and the evidence-based practice of coaching parents in strategies to support infant and toddler development.

**Cost Saving Strategies**

HHSC is also exploring strategies that could result in cost savings for ECI providers and has already implemented some of those strategies. HHSC is using operational funds to make bulk purchases of electronic record forms (ERFs) for the Battelle Developmental Inventory (BDI), the tool used in all Texas ECI programs to evaluate referred children to determine if they have a qualifying delay. An ERF is required for each child who is evaluated using the electronic version of the BDI. The state office purchase and disbursement of ERFs at a bulk rate saves the state at least $30,000 a year.

The ECI state office also recently developed plans to begin using the HHSC warehouse to fulfill distribution of outreach publications, rather than the vendor ECI worked with in the past. This will save $29,000 in FY21.

ECI did a series of presentations at program directors’ meetings in 2019 with tips on how programs can measure and try to increase provider productivity. The ECI state office also created individual data dashboards for each local ECI program and has been convening meetings to talk with them about their data and how to use that information to improve the efficiency and effectiveness of their operations.
**Conclusion**

This report describes how HHSC has begun to implement its plan to seek maximized funding and cost savings for ECI providers. Although further analysis is needed, HHSC will pursue the most feasible and promising strategies, which include:

- Continuing to explore options to maximize funding for ECI services;
- Continuing ongoing discussions with other states and other Texas Agencies to determine availability and feasibility of utilizing other funding;
- Completing cost/benefit analysis of contracting with a third-party billing vendor;
- Completing analysis of expenditure and performance trends among current ECI contractors;
- Continuing operational cost saving measures; and
- Determining if any further administrative changes could increase efficiencies for ECI contractors.

HHSC will continue assessments to determine whether these would be truly feasible and would positively impact funding sustainability for ECI in Texas, while continuing to seek additional strategies. HHSC initiated a competitive statewide re-procurement, which could impact future findings.

Progress toward realizing any of these opportunities will be documented in future reports, which are due on September 1, 2020, and March 1, 2021. HHSC will continue to track any increased funding received, as well as any cost savings attained or anticipated, through the strategies in this plan, and will include that information in the reports.
Appendix A. Factors Impacting Sustainability of ECI

Factors Impacting Sustainability of the Texas Early Childhood Intervention Program

Background

What is Early Childhood Intervention?
ECI is a statewide program for children with disabilities and developmental delays. ECI services support families to help improve their children’s developmental outcomes.

Texas Health and Human Services Commission contracts with local agencies to provide ECI services across the state.

ECI contractors are required to offer the full array of federally mandated services, as appropriate, based on the child’s and family’s needs, and to deliver services in natural environments.

Federal regulations require all children determined eligible for ECI to be served, creating an entitlement from a federal program perspective without corresponding entitlement funding.

Who is eligible?
All children from birth to 36 months who reside in Texas and have:
- Developmental delay greater than or equal to 25% in one domain area.
- Qualifying medical diagnosis.
- Auditory or visual impairment.

How is ECI funded?
ECI receives funding from:
- State sources
- Federal sources
- Family out-of-pocket payments
- Medicaid, private insurance/TRICARE, CHIP

Loss of ECI Contractors
The historical funding for ECI has proven inadequate to retain contractors.

Increase in Number of Children Served and Decrease in Funding
The number of children enrolled in ECI has increased for the last five years. Funding from the state appropriation has decreased during this same time.

Increase in Special Populations Being Served
The number of children with certain qualifying medical diagnoses being served in ECI is increasing, such as children with Autism and drug-addicted infants, further straining the system since children with more complex needs require more services.

ECI Contractors Must Cover Costs of Children Over the Target
HHSC funds contractors based on a target number of children served each month. If the number of children determined eligible exceeds the target number of children in the contract, the ECI contractor must still serve those children.

In Fiscal Year 2017, 36% of ECI contractors reported having to contribute additional funds to support their ECI programs.

Lack of Private Insurance Coverage for ECI Services
Although more than 30% of ECI families have private insurance, ECI contractors collect only 7% of the revenue needed to operate their programs from this source due to a lack of insurance coverage of ECI services.
Appendix B. The Value of ECI

The positive economic effect of front-end early intervention services has been clearly demonstrated. Short-term and longitudinal data (even into young adulthood) demonstrate the value of the early childhood intervention focusing on family-centered, coordinated services that support parent-child relationships as the core element of intervention.1

Richard C. Adams, MD
Texas Scottish Rite Hospital for Children, Medical Director of Pediatric Developmental Disabilities

Carl D. Tapia, MD, MPH, FAAP
Baylor College of Medicine/ Texas Children’s Hospital

The Council on Children with Disabilities

The Value of Early Childhood Intervention

For over 30 years, Early Childhood Intervention has helped over 800,000 Texas families learn how to be the best teachers for their children with developmental delays or disabilities.

ECI’s evidence-based practice of helping families incorporate intervention strategies into daily routines:

• Increases children’s rate of growth in key developmental areas.
• Multiplies the opportunities and effects of intervention.
• Increases the return on every dollar spent.

Discover how ECI can help the children and families in your community and healthcare practice.
ECI uses evidence-based practices to help families

7 Key Principles of ECI

The 7 Key Principles for providing early intervention services in natural environments were developed by the national Principles and Practices in Natural Environments Workgroup. This workgroup of subject matter experts and researchers in early intervention agreed that the 7 key principles are the foundations that support the mission of early intervention, which is to build upon and provide supports and resources to assist family members and caregivers to enhance children’s learning and development through everyday learning opportunities.

**Principle 1**
Infants and toddlers learn best through everyday experiences and interactions with familiar people in familiar contexts.

**Principle 2**
All families, with the necessary supports and resources, can enhance their children’s learning and development.

**Principle 3**
The primary role of a service provider in early intervention is to work with and support family members and caregivers in children's lives.

**Principle 4**
The early intervention process, from initial contacts through transition, must be dynamic and individualized to reflect the child’s and family members’ preferences, learning styles and cultural beliefs.

**Principle 5**
Individualized Family Service Plan (IFSP) outcomes must be functional and based on children's and families' needs and family-identified priorities.

**Principle 6**
The family’s priorities, needs and interests are addressed most appropriately by a primary provider who represents and receives team and community support.

**Principle 7**
Interventions with young children and family members must be based on explicit principles, validated practices, best available research, and relevant laws and regulations.

Meet Luke Rehurek

Rebecca and Jay Rehurek of Cedar Park, Texas had been to doctor after doctor trying to figure out why their one-year-old son Luke was experiencing speech delays, exhibiting unusual eating habits, and avoiding interacting or socializing with other kids. “I knew something was wrong, but I didn’t have a clue what it could be,” said Rebecca.

Rebecca became Luke’s strongest advocate, and as she persisted in her efforts to find help for her son, she was referred to Texas Early Childhood Intervention Services (ECI).

Luke’s evaluation and assessment revealed that speech and occupational therapy from specialists in early childhood development could help. ECI professionals and family members identified goals for Luke and developed an Individualized Family Service Plan (IFSP) that would support Luke’s family as they helped him develop. The IFSP also serves as the **authorization for services**.

[Principles 3 and 5]

One of Luke’s goals was to improve his speech and language. Luke’s parents and ECI staff recognized that Luke loved trains. Together they developed strategies that incorporated trains in his everyday family routines to encourage him to become more vocal. Luke began creating stories with his train cars and identifying them by their letter and colors. He really enjoyed building his train set with the assistance of his older sister Kate. “We had a game plan, and it was exciting to see him progressing,” said his dad Jay. **[Principles 1, 3 and 7]**

Jay and Rebecca were also very concerned about Luke’s unusual eating habits and behaviors at mealtime. The family reported that visits to restaurants became unbearable, and the family began to feel confined, unable to do things together. Rebecca, unsure of what to do, shared her concerns with the ECI staff. “This is what was great about ECI. It was so easy to change our plan and add new goals. It was always about what was best for Luke,” Rebecca recalled. **[Principles 3 and 4]**

Activities were developed and revised through joint planning, observation, action/practice, feedback and reflection at every visit. “They taught us to use things from around the home to help my child progress better,” said Rebecca. **[Principles 3 and 6]**

Luke is a happy and rambunctious little boy who enjoys playing with his dog Lucy. He enjoys going to school and is academically ahead of his classmates. “Early intervention is absolutely everything. We are so grateful to ECI. I hate to think of where Luke would be if it hadn’t been for ECI,” said Rebecca. **[Principles 2 and 3]**

To hear more about Luke, please visit [hhs.texas.gov/eci](http://hhs.texas.gov/eci) and view the video About Texas ECI.
ECI services increase the return on every dollar spent

Do The Math — ECI plans services for infants and toddlers based on research which demonstrates that learning occurs between intervention sessions. During a session, the provider utilizes his/her professional knowledge, skills and expertise to share information with the child’s regular caregiver. The caregiver then provides the intervention within the child’s daily routines. Consider the following comparison for two children who have similar delays in speech and language development.

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<th>Activity Description</th>
<th>Mins</th>
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<td>M</td>
<td>Names pictures and reads book during speech therapy session</td>
<td>45</td>
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<tr>
<td>T</td>
<td>Sings songs and labels toys and actions during speech therapy session</td>
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<th>Day</th>
<th>Activity Description</th>
<th>Mins</th>
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<td>M</td>
<td>Luke and parents work on speech strategies. Luke plays with trains. Discussion of last week’s daily activities and progress/needs. ECI staff observes difficulties and provides feedback. Jointly plan to use trains for labeling, prompting, imitation, etc., to promote speech in daily activities. Mom demonstrates understanding by looking at train book with Luke and labeling objects around the train. Parents and ECI staff discuss other daily activities to incorporate these strategies.</td>
<td>60</td>
</tr>
<tr>
<td>T</td>
<td>Mom labels foods and objects in grocery store with Luke</td>
<td>30</td>
</tr>
<tr>
<td>T</td>
<td>Dad names colors of train toys and Luke’s body parts during bath</td>
<td>10</td>
</tr>
<tr>
<td>T</td>
<td>Mom names foods at breakfast and Luke repeats</td>
<td>10</td>
</tr>
<tr>
<td>T</td>
<td>Mom and Luke sing songs in car to child care</td>
<td>15</td>
</tr>
<tr>
<td>T</td>
<td>Class colors trains and teacher names colors with class repeating</td>
<td>15</td>
</tr>
<tr>
<td>T</td>
<td>Older sister shares picture book, naming pictures together</td>
<td>15</td>
</tr>
<tr>
<td>T</td>
<td>Dad names and gives pajama choices to Luke; Luke points to choice</td>
<td>5</td>
</tr>
<tr>
<td>W</td>
<td>Mom stops for train and they count the cars as train goes by</td>
<td>10</td>
</tr>
<tr>
<td>W</td>
<td>Teacher reads Things That Go and class repeats the sound each object makes, including trains</td>
<td>15</td>
</tr>
<tr>
<td>W</td>
<td>Plays “card” game with sister and mom — cards are train-shaped</td>
<td>15</td>
</tr>
<tr>
<td>W</td>
<td>Dad and Luke name food at dinner; Luke requests more</td>
<td>5</td>
</tr>
<tr>
<td>T</td>
<td>Mom and Luke play “find the bus, find a truck” while in car</td>
<td>10</td>
</tr>
<tr>
<td>T</td>
<td>Teacher and class sing alphabet song and point to letters while singing</td>
<td>15</td>
</tr>
<tr>
<td>T</td>
<td>Luke names foods at dinner and Dad names new foods with Luke repeating</td>
<td>10</td>
</tr>
<tr>
<td>T</td>
<td>Luke and sister play with trains saying “ready, set, go” before passing it back and forth</td>
<td>15</td>
</tr>
<tr>
<td>F</td>
<td>Mom and Luke name food at breakfast</td>
<td>10</td>
</tr>
<tr>
<td>F</td>
<td>Mom and Luke sing songs in car to child care</td>
<td>15</td>
</tr>
<tr>
<td>F</td>
<td>Luke names clothes with Dad while undressing</td>
<td>5</td>
</tr>
<tr>
<td>F</td>
<td>Luke “reads” train book to Dad and names pictures</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Total Time</td>
<td>300</td>
</tr>
</tbody>
</table>

Early Childhood Development is a Smart Investment

The earlier the investment, the greater the return

ROI and ECI

Studies found that children who participate in high-quality early intervention/early childhood development programs tend to have:

- Less need for special education and other remedial work.
- Greater language abilities.
- Improved nutrition and health.
- Experienced less child abuse and neglect.

Economic analysis demonstrates programs that intervene early to improve child outcomes have returns on investment (ROI) from $2.50 to $17.07 for every dollar spent on early intervention services.
Results show that early intervention works

Texas Child Outcomes from ECI Services
The Individuals with Disabilities Education Act (IDEA) Part C programs are required to collect data on child outcomes. This data is compiled and reported to the federal Office of Special Education Programs (OSEP). Children entering and exiting early intervention services are assigned a rating for functional skills on the three Global Child Outcomes that are listed below. These results show Texas children significantly increased their rate of growth in these key areas through their participation in ECI, and that Texas’ child outcomes consistently exceed the national average.

Significant Increase in Growth Rate

<table>
<thead>
<tr>
<th></th>
<th>Texas</th>
<th>National</th>
</tr>
</thead>
<tbody>
<tr>
<td>FFY2015</td>
<td>72%</td>
<td>68%</td>
</tr>
<tr>
<td>FFY2016</td>
<td>78%</td>
<td>74%</td>
</tr>
<tr>
<td>FFY2017</td>
<td>80%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Texas: Positive social-emotional skills includes getting along with other children & the way they relate to adults.
National: Use of appropriate behaviors to meet their needs includes feeding, dressing, self-care & following rules related to health & safety.

Brain development from birth to 3

- Neural circuits create the foundation for learning, behavior and health. These circuits are most flexible from birth to 3.
- High-quality early intervention services can change a child’s developmental trajectory and improve outcomes for children, families, and communities.
- Intervention is likely to be more effective and less costly when it is provided earlier in life rather than later.
- Early social/emotional development provides the foundation upon which cognitive and language skills develop.

Making a referral to ECI

Who can make a referral to ECI?
A parent, grandparent, family member, doctor, day care provider, anyone in the child’s life.

How do you make a referral to ECI?
- Call the HHS Office of the Ombudsman at 877-787-8999.
- Visit hhs.texas.gov/eci to find an ECI program in your area.

The Value of ECI
Health and Human Services
Early Childhood Intervention Services

Citations
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87. Rand Corporation
88. Advocating for Early Intervention in Tight Times – DC Action for Children, Alison Whyte, Policy specialist at The Arc of DC
91. Rand Corporation
Appendix C. Funding Sources for Texas ECI

Centers for Medicare & Medicaid Services (CMS)

Office of Special Education Programs (OSEP)

State Legislature Appropriations

Texas HHSC Early Childhood Intervention (ECI)
- State General Revenue (GR Match, GR Certified, Respite)
- IDEA Part C
- TANF
- IDEA Part B
- Foundation School Funds (FSF)

IDEA Part B

Texas Education Agency (TEA)
- IDEA Part B
- Foundation School Funds (FSF)

IDEA Part C

Local Community Based Contracted ECI Providers
Private Nonprofits, Community Centers, School Districts, Education Service Centers

TMHP
- TCM
- SST
- Therapies for children with SSI

Medicaid Managed Care
- Therapies
- Evaluations
- Nutrition
- Behavioral Health

Medicaid Admin. Claiming (MAC)

Third Party Payers
- CHIP
- Private Insurance
- TRICARE

Family Out of Pocket

Other Funding Sources
- City/County
- United Way
- Foundations
- In-Kind
- etc.
Centers for Medicare and Medicaid Services (CMS) provides funding to Texas Health and Human Services Commission (HHSC) Early Childhood Intervention (ECI).

Office of Special Education Programs (OSEP) provides Individuals with Disabilities Education Act (IDEA) Part C funding to ECI.

Texas State Legislature Appropriations provides funding to ECI.

Office of Special Education Programs (OSEP) provides IDEA Part B funding to Texas Education Agency (TEA).

TEA revenue sources include:

- IDEA Part B
- Foundation School Funds (FSF)

TEA provides funding to ECI.

ECI revenue is comprised of the following:

- State General Revenue (GR) — GR Match, GR Certified, Respite
- IDEA Part C
- Temporary Assistance for Needy Families (TANF)
- IDEA Part B
- Foundation School Funds

Texas ECI contracts with local community-based ECI providers such as private nonprofits, community centers, school districts, and education service centers.

Local community-based contracted ECI providers receive funding from the following:

- Texas Medicaid and Healthcare Partnership (TMHP)
  - Targeted Case Management (TCM)
  - Specialized Skills Training (SST)
  - Therapies for children with Supplemental Security Income (SSI)
- Medicaid Managed Care
  - Therapies
  - Evaluations
  - Nutrition
  - Behavioral Health
- Medicaid Administrative Claiming (MAC)
- Third Party Payers
› Children’s Health Insurance Program (CHIP)
› Private Insurance
› TRICARE
● Family Out-of-Pocket Payments
● Other Funding Sources
  › City/County
  › United Way
  › Foundations
  › In-Kind
  › Etcetera