



Early Childhood Intervention Services Implementation Plan for Maximizing Funding Progress Report

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Commission, Rider 98)**

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Executive Summary

The *Early Childhood Intervention Services Implementation Plan for Maximizing Funding Progress Report* for March 1, 2021, 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 has taken to implement the plan described in the *Early Childhood Intervention Services Implementation Plan on Maximizing Funding* report submitted September 2019 and to address strategies detailed in the subsequent reports submitted March 2020 and September 2020. The program has continued to collaborate with the Medicaid/CHIP Services (MCS) Department to assess the feasibility of strategies to access more Medicaid and CHIP funding for ECI contractors, as well as pursue grant funding and other resources to increase funding and reduce costs. The strategies HHSC has implemented thus far have resulted in a total of at least \$4,548,252 in increased revenue or cost savings for ECI providers. This amount does not include increased local collections and cost savings related to telehealth and increased opportunities for Medicaid reimbursement.

Introduction

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. The second report, submitted on March 1, 2020, documented the strategies HHSC determined to be most feasible and likely to result in increased funding or cost savings. The third report, submitted on September 1, 2020, documents progress toward implementing those strategies. This final report, submitted March 1, 2021, documents further progress on the implementation plan and strategies, and details efforts to maximize funds that HHSC intends to continue pursuing.

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 under the Individuals with Disabilities Education Act (IDEA) Part C, 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. Additionally, to comply with IDEA Part C regulations and access the federal 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 and the family's priorities.

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.

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 terminated their contracts with the program between 2010 and 2018, 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.

A subsequent survey was conducted in March of 2020, prior to Texas experiencing major impacts of the COVID-19 pandemic. The survey revealed that while a smaller percentage of responding contractors reported taking significant cost-saving measures in fiscal year 2019, a greater percentage had to contribute funds from other lines of business, and the amount of those funds increased significantly. In fiscal year 2019, 77 percent of responding contractors reported taking significant cost-saving measures. During that time, 40 percent reported contributions from other lines of their agency's business to avoid losses in the ECI program. The amount of these funds ranged from nearly \$10,000 to \$1,700,000. The survey also polled contractors about their fiscal year 2020 contract funds, which included an increase for all contractors as a result of funding appropriated by the 86th Legislature. Prior to the impacts of COVID-19, 35 percent of respondents stated they expected the increase to meet all funding needs. The other 65 percent reported the increase would cover some, but not all, needs.

The COVID-19 pandemic has presented additional challenges to ECI contractors. As ECI services are delivered in a natural environment (mostly the home), providers had to shift almost overnight to a telehealth model. Prior to the pandemic, less than five providers were routinely leveraging telehealth. As of the week of April 20, 2020, all 41 contracted ECI programs were providing services via telehealth due to COVID-19. Four programs briefly closed to make adjustments and provide training to staff prior to moving to telehealth services. This immediate shift provided some challenges for providers to acquire the necessary equipment for both staff and families, ensure communication with families was timely and clear, and to adapt service provision as allowable and appropriate to ensure continuity of services. As revenues for ECI contractors decreased due to cancelled home visits, expenses related to purchasing equipment and software to get signatures for parent consent electronically and implement telehealth services for most families increased. In some rural areas of the state, families may not have adequate internet service to support telehealth. Other families have chosen not to access telehealth services and have opted to suspend ECI services until home visits can be resumed safely. Some providers have reported that some families have opted to suspend services. Due to temporary federal flexibilities provided during the pandemic, some of the telehealth infrastructure that was implemented in April may not suffice for long-term use, and therefore contractors may incur additional expenses to continue delivering services via telehealth.

While the provision of telehealth services has presented some challenges, it has overwhelmingly been a benefit for ECI contractors and has enabled ECI to continue providing services to the majority of families during the pandemic. Most contractors plan on continuing providing some telehealth services after the pandemic. Virtual services result in savings on travel costs, particularly in rural areas, where some families may live hours away from the closest ECI office. They also allow providers to deliver more services, since less time is spent driving to and from families' homes. Finally, some contractors and families have reported telehealth has resulted in improved coaching by service providers, who can no longer deliver "hands-on" services. This allows parents to become more comfortable implementing intervention strategies with the support of the service provider. They are then able to use these strategies more effectively between ECI visits.

During the pandemic, Medicaid implemented several flexibilities that allowed additional services provided via telehealth to be reimbursed. Other Medicaid flexibilities related to COVID-19 have provided mechanisms for ECI providers to deliver services such as nutrition and SST over the phone for families who do not

have access to internet service that supports telehealth. Medicaid also extended prior authorizations, which allowed ECI providers to extend, since the Individualized Family Service Plans (IFSP) serves as prior authorization for ECI services. Eleven ECI contractor agencies applied for and received Paycheck Protection Program (PPP) loans. Because these loans are available only for private entities, some ECI contractors such as school districts and education service centers are not eligible for PPP loans. HHSC also provided ECI contractors with information on the CARES Act Provider Relief Fund, and two ECI contractors received these funds. Due to unanticipated supplemental funding, delays in hiring, or other impacts of COVID-19, some ECI contractors indicated they would not expend all of their ECI contract funds by the end of fiscal year 2020. Others indicated they anticipated a shortfall due to unanticipated costs, decreased caseloads, or other impacts on their ability to bill for services during COVID-19. Therefore, HHSC facilitated the return of anticipated surplus funds and disbursement of those funds to other ECI contractors in need in the final months of fiscal year 2020. The total amount redistributed was \$2,530,790.

HHSC previously worked closely with ECI contractors to identify administrative efficiencies and published changes to the Texas Administrative Code¹ 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 used for ECI services SST. 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.

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.

¹ Texas Administrative Code, Title 40, Part 2, Chapter 108

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 the program experienced an \$18.6 million increase in revenue generated from local collections between fiscal year 2013 and fiscal year 2019.

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 percent) reported that they access private insurance, and 17 states (36.1 percent) 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 report submitted September 2019, include:

- Pursuing additional Medicaid funds;
- Coordinating with 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 included 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.

The second report, submitted in March 2020, documented how HHSC began implementing this plan, including working with stakeholders to identify potential opportunities for maximizing funding, identifying potential funding streams used in

other states' Part C programs, exploring whether changes to the ECI contract could result in better use of funding, coordinating with MCS to determine if additional Medicaid funding could be accessed by ECI providers, coordinating with other programs and state agencies to identify potential untapped funding streams, and investigating opportunities for cost savings. The report also identified specific strategies that HHSC determined were most likely to result in increased funding or cost savings.

An analysis of the ECI contract, detailed in the March 2020 report, revealed that changing the structure of the contract is unlikely to result in contractors expending the maximum amount of funding available. The ECI program also researched the use of quality incentive payments in other state programs and determined that reserving some funding for quality incentives would limit the funding available to meet the costs of delivering services and result in less money in Part C reserves the program relies on. For these reasons, HHSC determined the use of quality incentive payments is not a good strategy for the ECI program.

Specific strategies HHSC identified in the March 2020 report as the most feasible and promising included:

- 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 a 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.

The third report, submitted in September 2020, documented how HHSC continued exploring options for new ECI funding sources, cost saving opportunities, and administrative efficiencies. It included information about:

- Competitive procurement of ECI services statewide to purchase high-quality services that offer the best value for the state;
- Redistributing ECI funds to maximize expenditure of allocations;

- Pursuing grants and opportunities for no-cost technical assistance;
- Exploring the potential benefits of contracting with a third-party billing vendor;
- Continuing operational cost saving measures; and
- Determining if any further administrative changes and/or technical assistance could increase efficiencies for ECI contractors.

The third report also included information on HHSC ECI's collaboration with other programs and agencies, including the Texas Education Agency, the Texas Workforce Commission, the Texas Department of Family and Protective Services, and the Texas Department of State Health Services to determine if any of their available funds could be spent on ECI services. Although no additional funding in fiscal year 2020 or fiscal year 2021 resulted from discussions with these agencies, ECI will continue to work with these agencies to identify opportunities for collaboration, including those that could result in potential future funding for ECI services.

The report addressed previously identified strategies for increasing Medicaid funding, including some strategies that were implemented, such as reimbursement for some ECI services provided via telehealth and allowing pooling of targeted case management (TCM) events across one day. It also detailed some strategies that were still being explored by ECI and MCS staff.

Exploration of Strategies for Maximizing ECI Funds

Maximizing Medicaid and Children's Health Insurance Program (CHIP) Funding

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

- Working with HHSC's Provider Finance Department to evaluate the reimbursement methodology being utilized for the SST reimbursement rate.
- 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 available to ECI contractors for every Medicaid-covered service.
- Exploring opportunities for CHIP reimbursement of ECI services that are not currently reimbursed by the Texas CHIP program.
- Providing technical assistance to contractors about what is currently payable, and how to appropriately document and seek reimbursement for those services.
- Determining specific problems ECI contractors face in filing claims and receiving payments for Medicaid services.
- Increasing communication between ECI and Medicaid managed care organizations (MCOs).
- Assigning a liaison for ECI contractors within MCS to assist with resolution of ECI provider complaints.
- Tracking ECI complaints and identifying trends related to claims to and payments from Medicaid managed care organizations.

HHSC staff are exploring the feasibility of these ideas based on the cost to Medicaid and CHIP and other relevant factors. HHSC has submitted a concept paper to CMS

to explore the feasibility of amending the Medicaid State Plan to include more opportunities for TCM reimbursement for services ECI contractors are already providing. The agency is also examining fiscal impacts for CHIP reimbursement of TCM and SST, and exploring whether it is feasible for Medicaid to reimburse ECI providers who are not therapists for developmental evaluations, and to reimburse speech therapy providers for an enhanced rate for longer than typical therapy sessions.

ECI did an analysis of reports from the Texas Medicaid and Healthcare Partnership, the claims administrator for ECI Medicaid services that have been carved out of managed care. The reports showed that 100 percent of processed claims are paid every month, indicating that concerns some contractors have expressed about denials of claims and late payments may be related to services delivered in managed care. MCS is exploring the possibility of reviewing similar data related to claims from ECI providers that were denied by Medicaid managed care organizations. HHSC is reviewing technical assistance materials to ensure ECI contractors have up-to-date, accurate information on filing claims, appealing denials, and reporting complaints regarding Medicaid MCOs, and that MCOs have accurate information about reimbursement of ECI services. ECI staff were invited to attend a meeting of Medicaid MCO directors and provided the directors with contact information for the ECI lead policy and billing specialist. They were encouraged to contact the specialist with any questions or concerns they have about ECI. MCS has agreed to assign a liaison for ECI contractors to contact when they have a concern about specific claims. ECI and MCS staff are collaborating to gather additional details about challenges ECI contractors face with Medicaid claims and payments in order to address any outstanding concerns or issues.

ECI staff will continue to work with MCS staff to determine whether any of the other strategies discussed could be implemented.

Funding from Other State Agencies and Programs

The third *Early Childhood Intervention Services Implementation Plan for Maximizing Funding Progress Report*, submitted in September 2020, documents HHSC ECI efforts to determine if funding from other state agencies and programs was available for ECI services. As documented in that report, these agencies reported they had no available funds for ECI services in fiscal year 2020. Some agencies and programs indicated there was potential for funding in the future. HHSC ECI will continue to work with those programs and agencies to identify opportunities to leverage additional funds for ECI.

One opportunity for collaboration HHSC is continuing to explore is the possibility of dietitians from the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) providing Part C nutrition services to WIC-eligible children who are enrolled in ECI, and who need specialized nutrition services to meet their developmental goals. Nutrition services are a required IDEA Part C service, and this strategy could represent cost savings for those ECI contractors that contract with registered dietitians. While some ECI contractors may need to continue to contract for nutrition services for children who are not eligible for WIC, the majority of ECI children are WIC-eligible, and this strategy could result in a decrease in the amount ECI contractors spend on this service. HHSC ECI staff plan to tour WIC clinics to observe services, with family consent, to determine if these services would meet Part C requirements, but this plan is on hold due to the COVID-19 pandemic. When it is safe to visit these clinics, HHSC will further explore this possibility.

Accessing Other Federal Funds

HHSC continues to access federal grant funding beyond IDEA Part C to support the activities of ECI providers. HHSC awarded 10 local ECI providers a total of \$620,900 in Supplemental Nutrition Assistance Program Education funding to provide family education about healthy eating and exercise in federal fiscal year 2021.

In September 2020, HHSC was awarded a grant through OSEP on retention of early intervention personnel to improve services and results for children with developmental delays or disabilities and their families. The grant totals \$750,000 over three years, and if benchmarks are met, could be extended for two more years. Through the grant, the agency partnered with the University of Texas at El Paso and ECI contractors to apply evidence-based personnel retention strategies. Professional development training on these evidence-based personnel retention practices will be offered statewide, and financial assistance will be targeted to ECI contractors with the highest personnel turnover rates to support the implementation of specific retention strategies such as tuition reimbursement, mentoring, and continuing professional education. In addition to the funding received, this opportunity could represent additional cost savings in terms of hiring and training new staff, if ECI programs can implement more effective personnel retention practices.

Additional Grant Funds and Other Opportunities

In the fall of 2019, HHSC was awarded a \$300,000 grant from the Episcopal Health Foundation 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. Sixty practitioners have been trained as early brain development trainers to date, and coaching training is scheduled to begin in May 2021 and continue through 2022. All ECI contractors will have the opportunity to participate in these trainings.

HHSC, along with other community partners in Texas, is receiving technical assistance at no cost from Georgetown University and the National Center for Children in Poverty (NCCP) focused on infant and early childhood mental health (IECMH). In addition to technical assistance on the provision of IECMH services, Georgetown and NCCP are also providing technical assistance on how to fund these services. Although counseling, psychological services, and other services to address the social-emotional needs of children are required by IDEA Part C, funding is not always available for some of these services for children under three years of age. This technical assistance could assist HHSC in locating and accessing funds for these required services. Meetings of this group were put on hold for several months due to other priorities related to the COVID-19 pandemic, but meetings have resumed in 2021 and the group has identified funding for IECMH consultation services as a priority.

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), one of the tools used in 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 has purchased nearly 50,000 ERFs using a bulk discount and paid for the licenses required to access the BDI data management system, saving contractors statewide \$226,069.

In September 2020, the ECI state office began 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 fiscal year 2021 and should result in similar savings in future years.

The ECI program received comments from stakeholders on outsourcing third-party billing for ECI services. HHSC conducted an analysis on whether outsourcing this billing for the entire field of contracted ECI programs versus contractors maintaining in-house third-party billing infrastructure could potentially result in cost savings. HHSC ECI spoke with Part C state colleagues in Connecticut and New York who currently outsource their third-party billing to learn 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 completed 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. On June 26, 2020, HHSC posted a request for information (RFI) asking outside billers to provide information on the types of services they provide (for example, submitting initial claims, appealing denials, and tracking late payments) and what they would potentially charge for those services. Based on all available information, ECI has concluded that outsourcing third-party billing does not appear to be a reliable strategy for reducing costs in the program.

As documented in the previous report, the COVID-19 pandemic presented unexpected barriers and costs to ECI contractors. One barrier was the federal requirement to receive written consent from parents before beginning services via telehealth. Although secure electronic signatures meet this requirement, some ECI contractors found systems for accessing electronic signatures to be cost-prohibitive. In May 2020, HHSC purchased 25,000 transactions from One Span, a system for easily obtaining secure electronic signatures, for the use of ECI contractors. All 25,000 transactions were used by the end of 2020. In January 2021, HHSC purchased an additional 50,000 transactions. This will collectively save contractors who choose to use HHSC's One Span subscription a total of approximately \$90,375.

Another obstacle faced by ECI providers during the pandemic involves a supplemental eligibility tool, the Hawaii Early Learning Profile (HELP) Strands. Completing the HELP Strands requires a paper scoring booklet. Some ECI evaluators could not access these tools because their offices were closed with no access allowed. HHSC worked with VORT Corporation, the publisher of the HELP Strands, to develop a fillable pdf form. Texas ECI providers were able to access this form to administer and score the evaluation for a limited time. HHSC also covered

the cost of using the fillable pdf form, saving ECI contractors approximately \$1,118 statewide.

Some of the strategies described above relied on funds in the ECI state operational budget. These funds were available in fiscal years 2020 and 2021 because travel costs related to state office functions, such as monitoring and outreach, decreased significantly during the COVID-19 pandemic. These strategies may not be sustainable beyond fiscal year 2021.

As documented in the report submitted in September 2020, ECI began implementing telehealth services statewide in April 2020 due to the COVID-19 pandemic. The necessary move to telehealth revealed a need for an ECI eligibility determination tool that could be administered with fidelity via telehealth. HHSC temporarily approved the use of the Developmental Assessment of Young Children, 2nd edition (DAYC-2). Based on feedback from contractors, HHSC has approved the use of the DAYC-2 permanently as an eligibility determination tool. Therefore, even after the pandemic ends, ECI contractors will be able to use the DAYC to determine eligibility virtually when appropriate. As with other telehealth services, this will likely result in a savings in travel costs for ECI contractors.

HHSC will also analyze other temporary flexibilities implemented during the COVID-19 pandemic to determine the viability of continuing those that helped facilitate statewide ECI service delivery via telehealth.

HHSC has reviewed the Texas Administrative Code related to ECI to determine if further opportunities can be found to reduce administrative burdens on contractors, while maintaining quality services, which could lead to cost savings. The agency identified two areas in which administrative efficiencies can be increased. The first is allowing ECI contractors to extend IFSPs for children who are within three months of their third birthday. This will result in savings in staff time spent developing annual IFSPs for children who will only be in the program a short time. The other is eliminating some barriers in hiring early intervention specialists (EISs), while maintaining the recruitment of qualified early intervention personnel. This includes allowing applicants with certain degrees to be hired without a review of transcripts to ensure they meet educational criteria. This will also save ECI contractors time and make recruiting and hiring EISs easier.

In 2019 the HHSC ECI Quality Assurance team did a series of presentations at program directors' meetings with tips on how programs can measure and try to increase provider productivity. The team added some items to their program

reviews in fiscal year 2021 related to efficiency and productivity and will offer technical assistance on these topics to local contractors who need support in these areas.

Conclusion

This report and the three previous reports, submitted in September 2019, March 2020, and September 2020, describe how HHSC developed and implemented its plan to seek maximized funding and cost savings for ECI providers. HHSC has pursued strategies such as:

- Competitive procurement of ECI services statewide to purchase high-quality services that offer the best value for the state;
- Redistributing ECI funds to maximize expenditure of allocations;
- Exploring opportunities to maximize Medicaid and CHIP funding;
- Collaboration with other state agencies and programs to determine if they have available funding for ECI services;
- Pursuing grants and opportunities for no-cost technical assistance;
- Exploring the potential benefits of contracting with a third-party billing vendor;
- Continuing operational cost saving measures; and
- Determining if any further administrative changes and/or technical assistance could increase efficiencies for ECI contractors.

The strategies HHSC has implemented thus far have resulted in a total of at least \$4,548,252² in increased funding or cost savings for ECI providers. It is likely the total is greater, as some increased revenue, such as billing for pooled TCM units, and cost savings, such as travel costs related to telehealth, have not been analyzed and quantified. HHSC will continue to seek opportunities to positively impact funding sustainability for ECI in Texas, while continuing to implement viable strategies identified in this series of reports.

² This total includes the \$2,530,790 redistribution of contract funds in fiscal year 2020, the Supplemental Nutrition Assistance Program Education grant of \$620,900, the OSEP personnel retention grant of \$750,000, the Episcopal Health grant of \$300,000, the HHSC purchase of BDI ERFs totaling \$226,069, cost savings of \$29,000 from using the HHSC warehouse to distribute publications, the HHSC purchase of One Span transactions totaling \$90,375, and the HHSC purchase of the HELP fillable pdfs totaling \$1,118.