

**TESTIMONY TO
JOINT LEGISLATIVE BUDGET HEARING
HEALTH & MEDICAID
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Submitted by: Steven Sanders, Executive Director
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Chairman DeFrancisco, Chairman Farrell, Chairman Hannon, Chairman Gottfried and Members of this Joint Budget Committee

My name is Steven Sanders. I am the Executive Director of ACTS (Agencies for Children's Therapy Services). ACTS' 35 member agencies serve over half of the children enrolled in Early Intervention each year.

Thank you for this opportunity to speak with you about the State budget as it relates to the Early Intervention Program. Early Intervention provides vitally needed services and support to 65,000 infants and toddlers with developmental or learning disabilities each year. The whole idea of Early Intervention is to make children ready for the rigors of public schooling when they are old enough. Without Early Intervention services, the cost of preschool special education and school age special education would multiply by seven fold.

Those numbers come directly from the United States Secretary for Education Arne Duncan on the subject of early childhood services. There is no question about the fact that Early Intervention is the right thing for the children and their families... and it is the right thing for our budget based on the savings that accrue to the State and local school districts in AVOIDED and far more expensive pre-school and school age special education costs later on.

ACTS and most other Early Intervention Associations urgently request a partial restoration of cuts from the past decade.

The question which looms large is why has Governor Cuomo chosen, now for the fifth year in a row, to underfund a program with such obvious social and fiscal benefits?

Indeed Community and Home Early Intervention programs have received NO COLA, NO trend, NO increases of any kind in over a decade. What it has received during that time are cuts of between 15% - 20% and a significant increased workload and financial responsibility in just the past two years. When in 2012 the Legislature approved the Governor's request to relieve the municipalities of the burden of billing and collecting from insurance companies it shifted that responsibility to providers. And contrary to the \$12 million dollars in assistance that the state provided to counties for that task, providers have had to absorb the new workload and entire cost, making less time available to focus on the really important priority which is to deliver services.

And in case you were wondering, the establishment of a State Fiscal Agent in 2013 to route payments to insurance carriers HAS NOT resulted in any tangible increase in reimbursements from commercial insurance. Commercial insurance payments still accounts for scarcely more than 2% of the total reimbursement revenue in Early Intervention...pretty much the same numbers as two years ago, and twenty years ago.

The only thing which has changed is that providers have fewer resources than ever and consequently less time to do therapy than ever before.

In fact, Early Intervention which is a cost saving program for the state is about the only program under the jurisdiction of the Health Department that receives no consideration for any kind of cost of living adjustment. This has taken its toll. According to the Department of Health, in the past year 14% of the agencies that do Early Intervention billing have left the program because the costs exceeded their ability

to maintain themselves in business. Who suffers? The children and their families, your constituents with special needs.

So here is the bottom line the Early Intervention Program desperately needs and deserves a rate increase this year of 4.8%. Why 4.8%? Well that is the percentage increase that the Governor has set aside for Public Education Funding. Early Intervention is at its core an education readiness program with its origins in the Individual Disabilities Education Act or IDEA. That 4.8% increase should be largely directed to community and home services which have dramatically lost ground in the past decade. The cost to the state would be about \$7.6M.

With the State in a healthy financial posture there is no excuse not to do it. But if another reason is needed, ask Secretary Duncan. He will attest that for that additional investment, over \$50M EACH YEAR will be saved to the State alone, through avoided costs of more expensive services in special education later on.

Nourishing Early Intervention is long overdue. It is a program that was begun in New York State under the leadership of Governor Mario Cuomo. Think about what he would say if asked whether properly supporting this program was a good policy or not. Governor Andrew Cuomo should ponder that proposition as well.

Thank you very much for your interest.