



**House Insurance Committee**  
**HB 2270 – Coverage for Early Childhood Intervention (ECI) Services**  
**April 19, 2011**

Texans Care for Children is a statewide nonpartisan, nonprofit advocacy organization dedicated exclusively to the children of Texas. We look to our broad base of community-based experts—our partners and 147 members throughout the state who together represent thousands of Texas children—to inform our work and help us in developing our legislative agenda. We also co-convene various stakeholder groups which bring together a wide range of organizations, families, and advocates around our areas of focus, which are: family economic security; infant, child and maternal health; children’s mental health; child welfare; and juvenile justice and at-risk youth. We are also an active member of the ECI Advocacy Coalition.

**Texans Care for Children strongly supports HB 2270, which would:**

- ✓ **Help infants and toddlers with developmental delays and disabilities reach their best possible outcomes.**
- ✓ **Save the state and communities money by reducing the need for more costly services later.**
- ✓ **Allow the state’s Early Childhood Intervention (ECI) system to maximize its public resources.**

**Early Intervention Works**

- The first few years of life are a period of incredible growth in all areas of a baby's development. For infants and toddlers with developmental delays and disabilities, it's an optimal time to change their developmental trajectory and maximize the child's and family's potential.<sup>i</sup>
- Early identification and intervention services have been shown to improve cognitive and social skills, Lead to higher achievement and greater independence, and promote family competence and well-being.<sup>ii</sup>
- Children who are later diagnosed with autism often receive early interventions through ECI when developmental concerns first appear and before a formal diagnosis is able to be made. Research has shown the best way to deal with autism is to intervene as early as possible and that children who developed even some simple speech skills prior their formal diagnosis were far more likely to overcome the disorder.<sup>iii</sup>
- In FY 2010, 72% of children participating in the Texas ECI program substantially increased their rate of growth, beyond what would have been expected without intervention. More than half were functioning at age level by the time they left the program.<sup>iv</sup>

### **Early Intervention Saves the Public Money**

- Research shows that most of the dollar benefits of early childhood interventions are reaped by society through reduced public spending in other systems.<sup>v</sup> Early childhood intervention programs have been shown to yield benefits in academic achievement, behavior, educational progression and attainment, delinquency and crime, and labor market success, among other domains.<sup>vi</sup>
- ECI is often the only community support available to parents of premature infants and can help to reduce very costly re-hospitalizations of preterm infants. In the first year alone, annual medical costs for a preterm infant in the U.S. are \$32,325 compared to \$3,325 for an infant born full-term.<sup>vii</sup>
- A national longitudinal study that followed children receiving ECI services found that upon aging out of ECI, 37% did not present with a disability or require preschool special education. Since the average cost of special education is \$10,031 per child, early intervention resulted in a savings of more than \$1.2 million in one year.<sup>viii,ix</sup>
- The total cumulative costs to serve a child in special education to age 18 have been shown to be *less* if interventions began at birth, than the cumulative costs after waiting to address until the child is older, due to improved remediation and prevention of developmental problems. One study calculated the total cost of special education services beginning at birth to be \$37,273, while the total cost of special education services beginning at age six was between \$46,816 and \$53,340. <sup>x</sup>

### **ECI in Texas: Not Enough Resources to Reach Children Who Stand to Benefit**

Texas' ECI system has experienced significant challenges in recent years, faced with growing caseloads, children presenting with increasingly complex and specialized needs, and inadequate public funding.<sup>xi</sup>

- Based on current House and Senate funding proposals, more than 6,000 Texas infants and toddlers will lose access to ECI services each month, preventing them from receiving services to help mitigate or overcome the impact of their delays or disabilities.
- To address its funding crisis, the Department of Assistive and Rehabilitative Services (DARS) is preparing to narrow ECI program eligibility requirements, working to maximize Medicaid reimbursements, and investigating increasing family cost share.

### **Private Insurance and Early Intervention**

- Texas currently requires private health benefit plans that provide coverage for rehabilitative and habilitative therapies to cover certain ECI services. However health benefit plans are not required to offer such coverage, and when they do, employers can opt out of purchasing it.

**Having private group health plans cover certain services in accordance with an ECI-enrolled child's Individualized Family Service Plan is a key strategy to help strengthen the state's ECI system.**

- In a review of state strategies to contain costs in Early Childhood Intervention programs, researchers determined only enhanced insurance collection is free of unintended consequences, including loss of services to children in need, increased long-term expenditures, and a disproportionate impact on low-income families:

*“Enhancing health insurance reimbursement rates to partially offset the cost to government is the only strategy reviewed that is not predicted to adversely affect service delivery for infants and toddlers with developmental delays and disabilities and their families.”<sup>xii</sup>*

## **Texans Care for Children urges the Committee to favorably report HB 2270.**

Thank you for your time and commitment. If you have any questions, please feel free to contact me or the staff of Texans Care for Children at 512.473.2274.

Respectfully,

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<sup>i</sup> Smith, Barbara. (1988). *Does Early Intervention Help?* ERIC Clearinghouse on Handicapped and Gifted Children.

<sup>ii</sup> Shonkoff, J. and D. Phillips. (2000). *Neurons to Neighborhoods: The Science of Early Childhood Development*. National Academy Press, Washington, D.C.

<sup>iii</sup> University Of Michigan (2004, June 16). Early Intervention Lessens Impact Of Autism. ScienceDaily. Retrieved April 18, 2011, from <http://www.sciencedaily.com-/releases/2004/06/040616063622.htm>

<sup>iv</sup> Texas Department of Assistive and Rehabilitative Services. (2011)

<sup>v</sup> Shonkoff, J. and D. Phillips. (2000). *Neurons to Neighborhoods: The Science of Early Childhood Development*. National Academy Press, Washington, D.C.

<sup>vi</sup> Rand Research Brief. (2005). Proven Benefits of Early Childhood Interventions.

[http://www.rand.org/pubs/research\\_briefs/2005/RAND\\_RB9145.pdf](http://www.rand.org/pubs/research_briefs/2005/RAND_RB9145.pdf)

<sup>vii</sup> Institute of Medicine, (2006). *Preterm Birth: Causes, Consequences, and Prevention*, National Academy Press, Washington, D.C.

<sup>viii</sup> Kathleen Hebbeler, Donna Spiker, Don Bailey, et al., Early Intervention for Infants and Toddlers with Disabilities and Their Families: Participants Services, and Outcomes—Final Report of The National Early Intervention Longitudinal Study (NEILS). Menlo Park, CA : SRI International, 2007.

<sup>ix</sup> J. Danaher, R. Kraus, C. Armijo, and C. Hipps, eds., Section 619 Profile (14th ed). Chapel Hill: University of North Carolina, FPG Child Development Institute, National Early Childhood Technical Assistance Center, 2006.

<sup>x</sup> Wood, M. E. (1981) “Costs of Intervention Programs.” In C. Garland and others, eds., *Early Intervention for Children with Special Needs and Their Families: Findings and Recommendations*.

<sup>xi</sup> Texas Department of Assistive and Rehabilitative Services. (2010) *Legislative Appropriations Request for Fiscal Years 2012-2013*.

<sup>xii</sup> Grant, R. (2005) State Strategies to Contain Costs in the Early Intervention Program: Policy and Evidence. *Topics in Early Childhood Special Education*. Winter 2005 vol. 25 no. 4 243-250