

Testimony Before the Appropriations Committee

Submitted by: Joyce Lewis, Key Human Services

H.B. No. 6824: The Governor's Proposed FY 2016-2017 Biennial Budget

March 6, 2015

DDS Budget: OPPOSITION to Birth to Three Transfer

My name is Joyce Lewis and I live at 32 Linda Lane in South Windsor. I am the Vice President and Director of Birth to Three at Key Human Services in Wethersfield. Birth to Three is my passion. And I am feeling very passionate right now. We have only just learned of substantive change in the fundamentals of practice in Birth to Three.

In view of these impending issues, I stand in opposition to the move to the OEC until resolution is reached. Birth to Three providers have always made a good faith effort to fulfill our mission. However, this faith will be sorely tried in the proposed system.

The Governor's budget proposes a change in the way that Birth to Three is funded. The funding is divided between the Office of Early Childhood (OEC) and the Department of Social Services (DSS) due to anticipated changes in Medicaid billing. DSS currently bills Medicaid using a bundled monthly rate. Medicaid is eliminating the bundled rate and requiring direct service billing. Providers will now be expected to bill Medicaid directly.

Providers are currently funded using a managed care style flat unit rate. The changes would eliminate the unit rates for children on Medicaid leaving the providers fully dependent on Medicaid reimbursement. This will result in a drastic revenue cut for providers accompanied by increased infrastructure costs to implement billing. Additional unfunded expenditures will be borne by the provider for no show visits, cancellations and team meetings. Revenue reductions are estimated at approximately 55% for children on Medicaid and approximately 35% overall. The provider community cannot sustain cuts of this magnitude.

As in other service systems, unfunded mandates have been the rule not the exception in Birth to Three. Escalating requirements include multidisciplinary teams at all planning meetings, additional clinical assessments at intake, and a seemingly endless list of administrative burdens.

The Medicaid funding system is a medical model not compatible in any way with the developmental model of Birth to Three. Multidisciplinary services and team processes are required under IDEA Part C but disallowed under typical Medicaid services. Birth to Three is an entitlement program under IDEA. However, many of the components are not allowable under Medicaid. Based solely on our commitment to young children and their families, we will no doubt seek every drop of lifeblood from our staff to maintain the quality of services to all families regardless of funding. Enough is enough! Dramatic adjustments will be necessary to ensure that children and families have equal access to services and supports time proven to be effective.

Birth to Three is the premier example of results based accountability. 51% of children who receive Birth to Three services no longer require special education services at age 5. Birth to Three costs average \$8,000 per year versus \$27,000 for special education costs. Where is the return on investment being considered in this process? Does the future of Connecticut's children have no value?

The transfer to the OEC should not move forward without resolution to this funding concern. Collateral damage will be rampant if these "procedural" changes take effect. The Birth to Three System must be stabilized to avoid the loss of experienced providers thus preventing a waiting list for families reminiscent of the 548 children waiting for services during the transition from SDE to DDS.

Birth to Three currently provides employment for 1500 highly skilled professionals. Their expertise is a vital benefit to thousands of families in Connecticut every year. Revenue losses at this level may result in workforce reductions.

Alternatives must be identified to address this crisis before the system collapses and thousands of children are left unserved! Providers are vested in this mission and eager to explore realistic solutions that support positive outcomes for the children of Connecticut!

It would be my pleasure to meet with you on this issue. Please contact me at 860 878 9012. Thank you for your consideration!