

Connecticut Early Hearing Detection and Intervention Task Force
Testimony Regarding Medicaid Changes in CT Birth to Three Program

March 6, 2015
Appropriations Committee Hearing

Dear Senator Beth Bye, State Representative Toni E. Walker,
and Distinguished Members of the Appropriations Committee,

The Connecticut Early Hearing Detection and Intervention (EHDI) Task Force includes representatives from throughout the State who are audiologists, physicians, educators, parents, and university personnel. We collaborate with State agencies in supporting the newborn hearing screening system, as well as in supporting quality educational intervention for families and their children who are deaf or hard of hearing.

We are greatly concerned about the impending financial disaster that is looming over one of the State of Connecticut's most lauded programs, the CT Birth to Three System.

The Concerns

- Simultaneous with the proposed move of Birth to Three's Lead Agency from the Department of Developmental Services to the Office of Early Childhood, we have been informed that the 20-year agreement with Medicaid to have bundled payments for Birth to Three services is no longer viable.
- Billing to Medicaid for services will need to be on a fee for service basis.
- Despite the fact that Birth to Three outsources private insurance billing, the intention is that providers will be required to bill Medicaid, and will need to accept Medicaid payments (only) for services billed to Medicaid.
- Providers will also forfeit their set unit reimbursement rate for all children who have Medicaid insurance.

Financial Impact of Proposed Changes to Medicaid Billing

Based on the current average scheduled visits per month (including current cancelation/no show rates) and average Medicaid rates in surrounding States, providers will lose 56% of their funding for each child who has Medicaid. Children with Medicaid represent at least 60% of all children enrolled in Birth to Three. That means a loss of 34% of the funding to each provider program's total funding, an amount that cannot be supported by any Birth to Three program in the system.

Impact on Families and Children of Proposed Changes to Medicaid Billing

The CT Birth to Three System has received high praise from families for the quality of the support that they receive to help their children progress, and has saved the State of Connecticut millions of dollars in services for these children when they leave the program. By building a strong foundation early on, the need for school age services is reduced or sometimes eliminated. For a child with hearing loss who requires intensive preschool services at age three, for example, the cost of those services is at least four to five times the cost of Birth to Three services. Children who have received a good start in Birth to Three, on the other hand, might require an expenditure that is less than 10% of the cost of intensive services.

Bundled rates from Medicaid have allowed Birth to Three to provide the comprehensive, family-focused services that they have been providing. With increased costs and decreased revenue, the standard of care will suffer. The impact on families with babies and toddlers who have developmental disabilities could include long waiting lists for accessing services, few services provided per family and child, poorly coordinated services, reduced access to specialists needed to adequately address their children's disabilities, decreased quality of care, and ultimately poorer outcomes for Connecticut babies, toddlers, and young children. These children will be much less well-equipped to enter kindergarten.

Recommendation

The State of Connecticut Birth to Three System must continue to directly bill Medicaid. There will be a shortfall, and the State will need to find the funds to provide for that, even in this time of financial scarcity. To do that is entirely in line with the Governor's and the legislature's stated support for the young children of the State of Connecticut. The most ethical choice is to maintain the existing Birth to Three system which saves the State special education costs, and provides for and enhances the development of its youngest and most vulnerable citizens.

Respectfully,

Patti Silva, Co-Chair, Wethersfield
Carol A. Powell, Co-Chair, Middletown

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