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RCPA Early Intervention Steering Committee Position Paper
The State of Early Intervention Funding in Pennsylvania in 2023

INTRODUCTION

The Early Intervention (EI) program provides crucial services for infants and toddlers with developmental delays, disabilities, and medical complexities across the Commonwealth. Early Intervention providers support infants and toddlers in their homes and communities offering support in physical development, feeding, language, play skills, cognitive growth, and social-emotional development. Providers, such as therapists and teachers, coach skills and educate families and caregivers, empowering them to be the driving force in their child's progress.

Early Intervention is a highly effective program. The data are clear that timely identification of needs, regular skilled intervention, and caregiver training, are key elements to ensure the continued growth and development of a child with identified service needs. The ability of providers to effectively deliver these services is directly dependent on adequate funding, staffing, training, and program efficiencies.

Participation in the Early Intervention program optimally positions children with identified challenges to be ready for the future, preparing them with the skills they need to succeed – in education, in vocation, and in recreation.

THE ISSUES

Workforce Crisis

The current workforce crisis is not unique to the Early Intervention sector, but several compounding factors influence the availability of skilled providers to work within the program.

Early Intervention provider agencies compete with hospitals, clinics, and school districts to attract and retain licensed clinicians. The current reimbursement rates do not allow Early Intervention provider agencies to effectively compete with the salaries, hiring bonuses, health benefits, and retirement programs offered by other institutions. The net result is two-fold: a talent exodus from Early Intervention settings and a smaller pool of potential teachers and therapists.

Another factor is the number of unbillable training and compliance hours required for each clinician employed in the program. In many cases, these requirements are in addition to the discipline-specific training required annually for licensure. These additional, often unpaid, hours and requirements further dilute the hourly rate earned by providers. In an age of rising costs and shrinking goods, clinicians naturally gravitate toward the highest bidder.

The rising costs and insufficient availability of childcare adds additional constraints on the [primarily female] Early Intervention workforce, historically known to provide the bulk of childcare. For a time, tele-intervention services alleviated some of this strain, providing more flexibility for working parents. With the trend to return to in-person services, childcare remains a workforce stressor as low reimbursement rates often leave little left over after childcare costs.

The pandemic presented many families with an additional crisis. Many of the families receiving Early Intervention services function with little reserves and few coping skills to deal with such significant challenges. This global increase in case complexity expanded demand on providers, requiring greater support from Early Interventionists. This additional mental health demand has further stressed a fragile Early Intervention workforce.

The Rate: History

The Early Intervention rate schedule in use today was originally developed using several objective factors, including multiple time and motion studies performed nearly thirty years ago by what became The Office of Child Development and Early Learning (OCDEL). Throughout the 1990s, the state recognized that the rates should be increased regularly based upon the cost of living and regular rate increases occurred annually. While the time and motion rate study findings and results were never made publicly available, annual Cost of Living Adjustments (COLA) to the rates continued. This routine practice ended within a few years.

In 2005–06, the EI fee schedule collapsed service and travel rates into a single combined rate. This forced many EI provider agencies to absorb an enormous financial expense, or eliminate travel reimbursement entirely, as they could no longer afford to pay staff for travel time and expenses. In 2006, the Early Intervention Provider's Association of PA (EIPA) completed an internal rate study surveying its member agencies about the effects of the newly collapsed fee schedule. These results were shared with the Office of Child Development, and in 2007, a 3% increase to the rates was instituted; the annual COLA did not resume. After a decade of advocacy, providers received one rate increase in the 2019/20 budget, the first rate adjustment in twelve years. While appreciated by providers, it was insufficient to meet the need.

Recent history of the OCDEL/BEISFS (Bureau of Early Intervention Services and Family Supports) Fee Schedule is as follows:

2007–08 :	3% rate increase
2008–09 :	1% COLA increase
2009–10 :	No rate increase
2010–11 :	No rate increase
2011–12 :	No rate increase
2012–13 :	No rate increase
2013–14 :	No rate increase
2014–15 :	No rate increase

2015–16 :	No rate increase
2016–17 :	No rate increase
2017–18 :	No rate increase
2018–19 :	No rate increase
2019–20 :	3% rate increase
2020–21 :	No rate increase
2021–22 :	3% rate increase*
2022–23 :	3% rate increase

*Funded by ARPA; it is unclear if this will be sustained beyond FY 2023/24

Despite efforts to improve funding for this program, recent increases have not matched inflationary increases or the real costs of providing this service. **The Pennsylvania Early Intervention Program has experienced years of compounded chronic underfunding**.

The Rate: Rate Insufficiency

The lack of appropriate and consistent rate increases led to significant financial deficits annually for EI provider agencies. A 2022 survey of EI Provider Agencies reflected global losses of 18–71%, when comparing fiscal years 2019/20 and 2020/21. These losses are not due to the pandemic alone, as the majority of programs also reported deficits in the years prior to 2020. The COVID-19 pandemic magnified the faults within the current fee-for-service reimbursement structure, exposing insufficiencies, which caused not only revenue loss, but the loss of entire provider agencies. In addition to individual providers exiting early intervention for work in other industries, numerous Pennsylvania provider agencies closed their doors or discontinued EI operations in favor of work in other sectors.

While federal programs provided some immediate relief for EI provider agencies during the pandemic, they did not solve the root problems created by years of underfunding. ARPA funding propped up the EI system during the public health emergency, but did not improve the system sustainability. Lost revenue from missed appointments during the pandemic, coupled with rising costs and the nearly stagnant reimbursement rate, have been a tremendous financial burden on the provider system. Simultaneously, families are experiencing greater stress from strained time and financial resources. The result is more frequent cancellations and no-shows, which increases the amount of non-billable time for providers, further diluting reimbursement.

A few examples:

- Early Intervention personnel travel to home and community-based locations to deliver services to children in their natural environments. Travel costs are not captured in the existing rates.

- The need for interpretation and translation services is growing. Implementing the state's coaching model without bilingual professionals and interpretation support is unfair to families and impedes the transfer of skills to the family. Costs for these essential services are inconsistently reimbursed by counties. Interpretation and translation services are not covered by the existing rates.

- The need for cross-systems collaboration has grown and requires a great deal of non-billable time. Promoting inclusive practices requires partnerships with Early Childhood Education (ECE) programs to decrease exclusionary practices and support community inclusion for young children with disabilities. To support meaningful inclusion, collaboration with our partners in ECE requires an investment of indirect time for planning, problem solving, and adaptations. These indirect costs are not covered by the existing rates.

- Technology is a valuable tool to streamline communication, documentation, and education – but it is costly. Capital equipment costs, onboarding time, monthly subscription fees, and annual licenses are all real expenses not covered by the existing rates.

- Hours are invested in service coordination, communication with families, and administrative tasks on behalf of each child. If a family declines services or billable services are unable to be provided, those invested resources go unreimbursed. These indirect costs are not captured by the existing rates and fee structure.

SUMMARY

Access to Early Intervention services can be life-altering for a child as developmental skills build upon each other. The acquisition of the foundational blocks of development is essential to maturity and refinement in the next stages of life.

The Early Intervention program is essential to the health and well-being of the youngest in our society. Annual data collected by OCDEL consistently reflects that timely services from talented providers produce favorable outcomes. Early Intervention provides families and caregivers with crucial skills to help their children develop, meet milestones, and prepare for a successful future. Addressing the Early Intervention funding deficit in a sustainable way is an investment in our children and families.