



LEGISLATIVE BUDGET BOARD

Early Childhood Intervention

Overview and Funding

**PRESENTED TO HOUSE APPROPRIATIONS SUBCOMMITTEE ON ARTICLE II
LEGISLATIVE BUDGET BOARD STAFF**

MARCH 2018

Committee Charge

House Appropriations Committee Interim Charge 10 – Examine the Early Childhood Intervention (ECI) Program in Texas, including:

- Review of historical funding levels, programmatic changes, challenges providers face within the program, and utilization trends;
- Evaluation of ECI's impact on reducing the long-term costs of public education and health care; and
- Identification of solutions to strengthen the program.

Presentation Overview

- ECI Program background;
- History of ECI funding;
- ECI performance measures;
- ECI contracting; and
- General Appropriations Act (GAA) ECI riders.

ECI Program Background

- Transferred from the Department of Assistive and Rehabilitative Services (DARS) to the Health and Human Services Commission (HHSC) on September 1, 2016 pursuant to Senate Bill 200, Eighty-fourth Legislature, 2015.
- Provides services to children up to age three.
- Eligible children must have at least one of the following:
 - Developmental delay;
 - Certain medically diagnosed conditions; or
 - Auditory or visual impairment.
- HHSC contracts with local organizations to provide services.

ECI Services Funding within the GAA

Fiscal Years 2014 through 2019

<i>IN MILLIONS</i>	2014 Expended	2015 Expended	2016 Expended	2017 Estimated	2018 Appropriated	2019 Appropriated
General Revenue	\$31.8	\$23.8	\$31.8	\$28.3	\$31.8	\$28.3
Foundation School Funds	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5	\$16.5
Medicaid Federal Funds	\$32.4	\$31.8	\$28.2	\$31.7	\$36.2	\$36.6
IDEA Part B	\$5.1	\$5.1	\$5.1	\$5.1	\$5.1	\$5.1
IDEA Part C	\$31.2	\$47.3	\$34.0	\$46.6	\$42.3	\$46.9
TANF	\$16.1	\$16.1	\$10.0	\$10.0	\$15.0	\$15.0
<i>Subtotal, Federal Funds</i>	<i>\$84.8</i>	<i>\$100.3</i>	<i>\$77.4</i>	<i>\$93.5</i>	<i>\$98.7</i>	<i>\$103.6</i>
Subtotal, ECI Services Strategy	\$133.2	\$140.7	\$125.7	\$138.2	\$147.0	\$148.3
Medicaid and CHIP Strategies	\$32.7	\$33.1	\$41.7	\$37.6		
Grand Total, within the GAA	\$165.9	\$173.8	\$167.4	\$175.9		

Notes:

- (1) Does not include funds appropriated for training, evaluation, technical assistance, or respite services in Strategy D.1.4., ECI Respite and Quality Assurance.
- (2) Includes State Office Expenditures in fiscal years 2014 to 2017. Funding was moved to Strategy D.1.4., ECI Respite and Quality Assurance, in the 2018-19 GAA.
- (3) Funding in the Medicaid and CHIP Strategies is estimated and includes General Revenue Funds and Federal Funds. Amounts for 2018-19 have not been identified in the GAA.
- (4) Amounts may not sum due to rounding.

ECI Funding outside the GAA

Fiscal Years 2014 through 2017

<i>IN MILLIONS</i>	2014	2015	2016	2017
Private Insurance	\$5.4	\$4.9	\$5.1	\$5.7
TRICARE	\$1.1	\$1.2	\$1.2	\$1.4
Family Cost Share	\$1.5	\$1.4	\$1.9	\$2.2
Other Locally Collected Funds	\$8.9	\$5.3	\$7.1	\$8.5
Total ECI Funds Outside the GAA	\$16.9	\$12.8	\$15.3	\$17.7

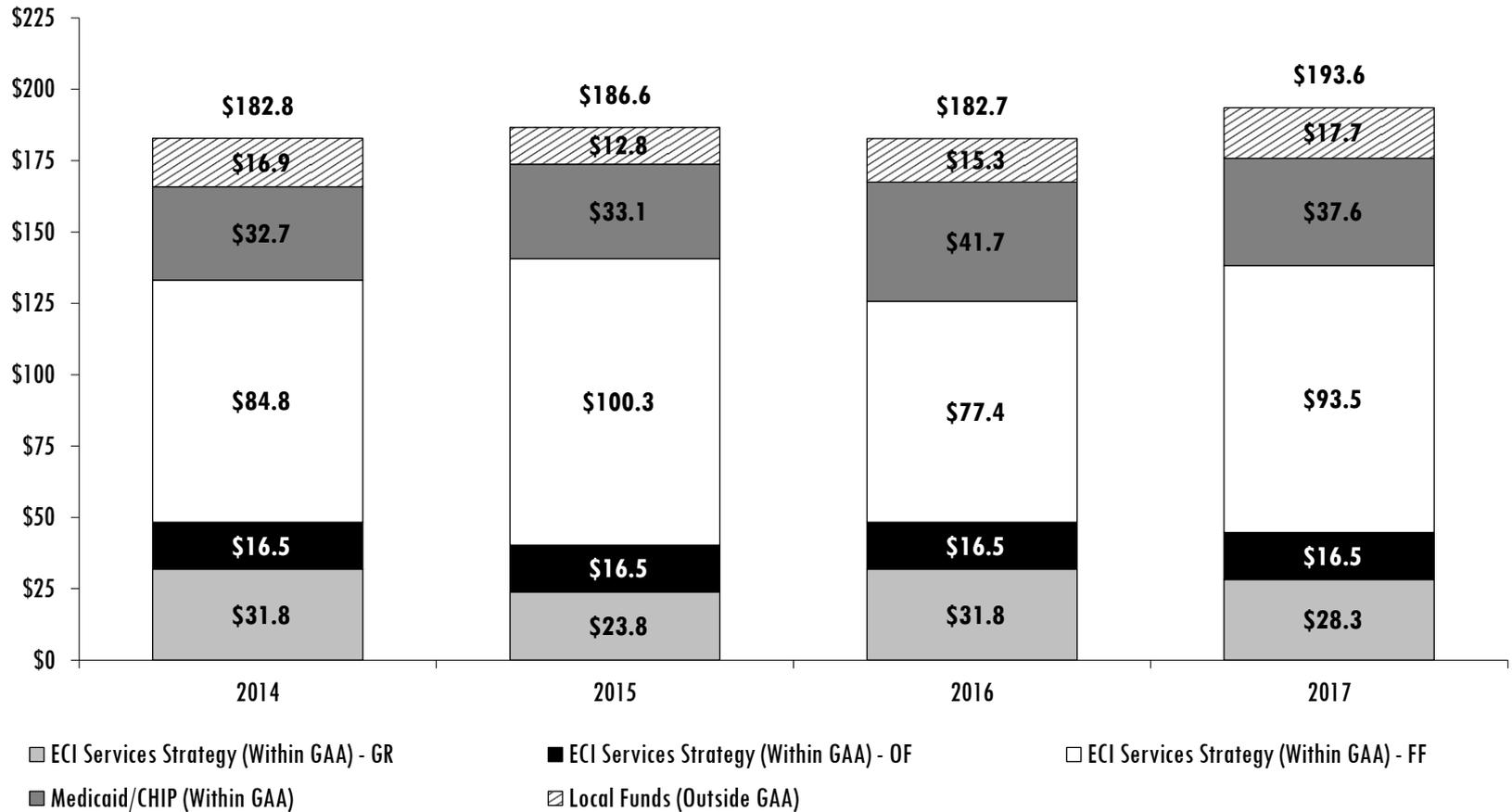
Notes:

- (1) Fiscal year 2017 amounts are preliminary.
- (2) Other Locally Collected Funds include local city/county grants, grants from non-profit organizations, foundation funding, donations, or other cash or in-kind contributions.
- (3) Amounts may not sum due to rounding.

Source: Health and Human Services Commission.

Total ECI Services Funding Fiscal Years 2014 through 2017

IN MILLIONS



Appropriations and Expenditures for ECI Services Fiscal Years 2014 through 2017

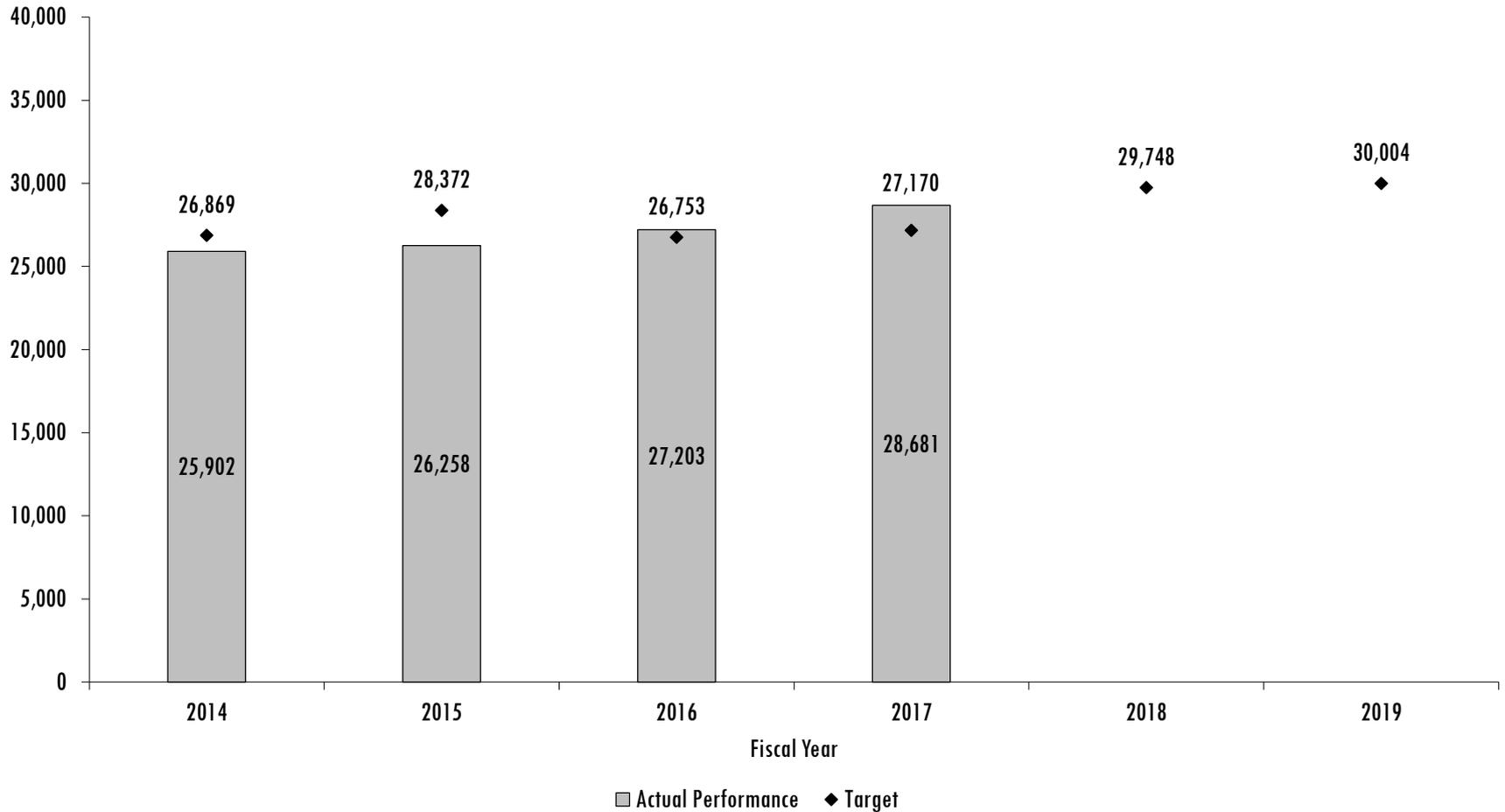
<i>IN MILLIONS</i>	2014	2015	2016	2017
Regular Appropriations	\$154.7	\$163.4	\$140.3	\$142.5
Supplemental Appropriations	-	-	-	\$4.5
Total Appropriations	\$154.7	\$163.4	\$140.3	\$147.0
Approved Requests to Exceed (RTEs)	-	(\$7.0)	-	\$2.2
Total Approved Funding	\$154.7	\$156.4	\$140.3	\$149.2
Actual Expenditures	\$133.2	\$140.7	\$125.7	\$138.2
Expenditures Over/(Under) Funding	(\$21.5)	(\$15.7)	(\$14.6)	(\$11.0)

Notes:

- (1) Fiscal years 2014-15 regular appropriations: Senate Bill 1, Eighty-third Legislature, 2013.
- (2) Fiscal years 2016-17 regular appropriations: House Bill 1, Eighty-fourth Legislature, 2015.
- (3) Fiscal year 2017 supplemental appropriations: House Bill 2, Eighty-fifth Legislature, 2017. Method of finance is General Revenue.
- (4) Expenditures do not include Medicaid/CHIP funds expended for therapies.
- (5) Amounts may not sum due to rounding.

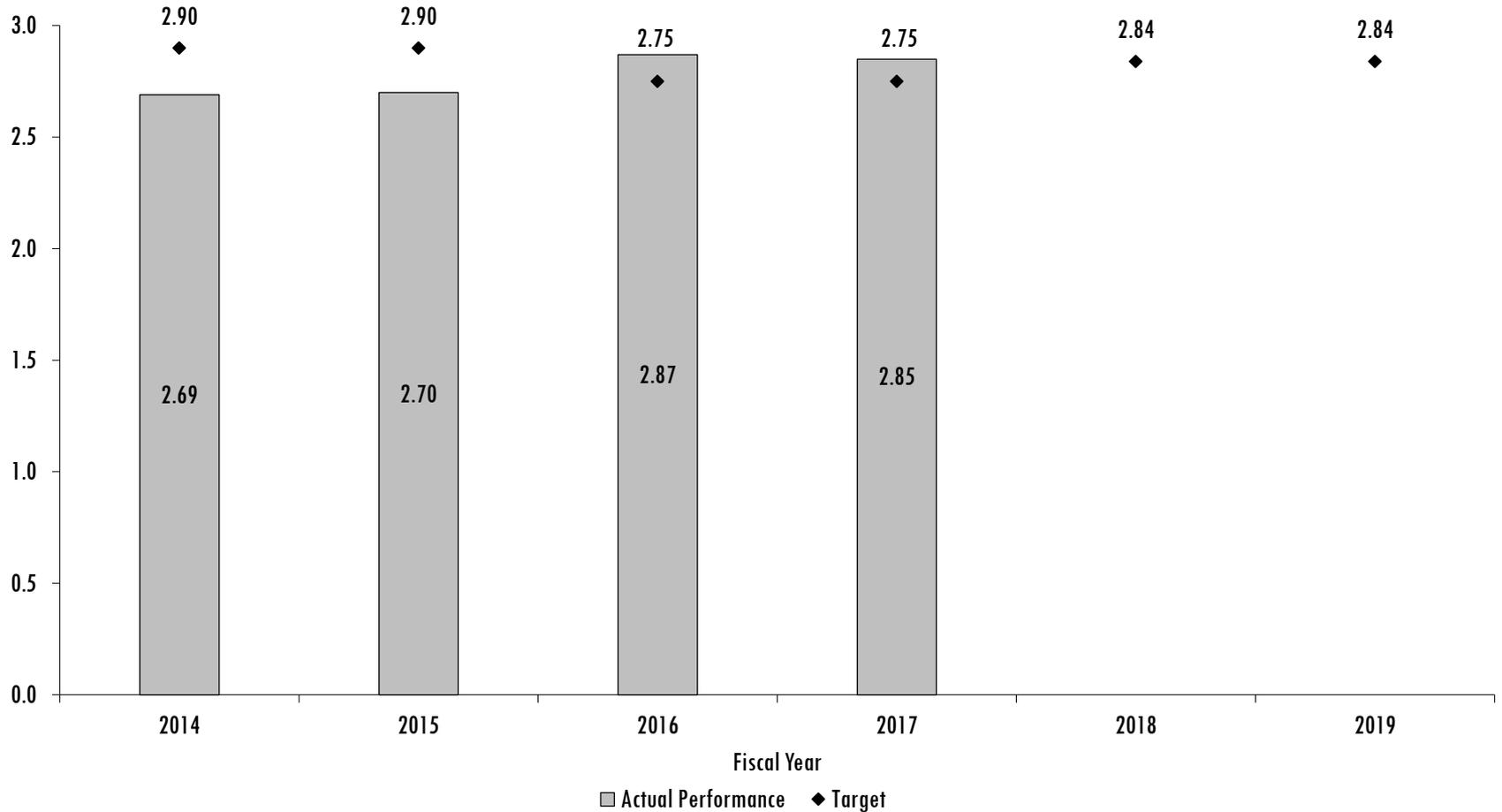
Source: Health and Human Services Commission.

Average Monthly Number of Children Served in Comprehensive Services



Note: Targets for fiscal years 2018 and 2019 are established by the Eighty-fifth Legislature, General Appropriations Act (GAA), 2018-19 Biennium.
Source: Health and Human Services Commission.

Average Monthly Number of Hours of Services Delivered Per Child Per Month



Note: Targets for fiscal years 2018 and 2019 are established by the Eighty-fifth Legislature, General Appropriations Act (GAA), 2018-19 Biennium.
Source: Health and Human Services Commission.

ECI Provider Contracts

	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
Total Starting Providers	51	49	49	48	45
Contracts Terminated	2	1	1	4	3
New Contracts	0	1	0	1	0
Net Change in Providers	-2	0	-1	-3	-3

Notes:

- (1) The contractor that was added during fiscal year 2015 terminated its contract in fiscal year 2017.
- (2) For fiscal year 2018: one contractor has already terminated all services; one contractor terminated services in one county and will terminate services in the rest of the service area on or before May 31, 2018; one contractor will terminate all services on or before May 31, 2018.

Source: Health and Human Services Commission.

ECI GAA Riders

The 2018-19 General Appropriations Act contains several riders regarding the ECI program, including:

- Rider 108, Maintenance of Effort (MOE) and Matching Funds Reporting Requirement: ECI Services
- Rider 109, Reporting on Early Childhood Intervention
- Rider 110, ECI Respite Care for Families
- Rider 111, Education Funding
- Rider 112, Early Childhood Intervention (ECI) Report on Changes to Improve the Family Cost Share System
- Rider 113, Limitation on Federal Funds Appropriations for Early Childhood Intervention Services
- Rider 114, Early Childhood Intervention (ECI) Services: Medicaid Billing



LEGISLATIVE BUDGET BOARD

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