



Advocates for Children of New York

Protecting every child's right to learn

Testimony submitted for the Joint Legislative Public Hearing on the 2025-2026 Executive Budget Proposal: Health

Re: Early Intervention

February 11, 2025

Advocates for Children of New York (AFC) appreciates the opportunity to submit testimony regarding the need to significantly invest in Early Intervention (EI) in the 2025-2026 budget to help ensure that the program is abiding by federal and state legal requirements and fulfilling its promise of supporting the development of infants and toddlers with developmental delays or disabilities. For more than 50 years, AFC has worked to ensure a high-quality education for New York students who face barriers to academic success, focusing on students from low-income backgrounds. Every year, we help thousands of New York parents navigate the Early Intervention, preschool, and school-aged education systems.

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With respect to Early Intervention (EI), we urge the Legislature to:

1. Increase EI reimbursement rates by an additional five percent for services delivered in person.
2. Include sufficient funding to meaningfully implement the four percent modifier for underserved communities to be effective starting in April 2025.
3. Include \$1 million in the final budget for a comprehensive assessment of the methodology used to determine payment for all EI evaluations, services and service coordination.
4. Create a student loan forgiveness program to attract new EI providers.
5. Ensure the budget does not include any harmful cuts to the program that could negatively impact access to services.

Established under the Individuals with Disabilities Education Act (IDEA), the Early Intervention program promises critical services to infants and toddlers with developmental delays or disabilities and their families to help young children reach important developmental milestones before their third birthday. While, at its inception, New York had a model Early Intervention program that worked to provide timely evaluations and services like speech therapy, physical therapy, and specialized instruction to support a child's development within legally required timelines, New



York now ranks 50th in the nation in timely delivery of services to children found eligible.¹

New York's Early Intervention program has long faced challenges that were compounded by the pandemic and are still being felt by children, families, and providers. In recent years, low EI reimbursement rates have led to a severe shortage of evaluators, service coordinators, and service providers, resulting in long delays in the EI process and inequitable access to legally mandated services. Before March 2020, all evaluations and services were provided in person. However, following the pandemic, many families are now only being offered telehealth services even when their young child needs services delivered in person.

The program is now in urgent need of comprehensive reform and a significant investment to ensure that young children with developmental delays or disabilities can receive their mandated services at a time when these services can have the greatest impact on their growth and development. Failure to do so will not only result in challenges for children and their families, but will also cost the State more in the long term as it will have to provide more intensive and costly services to children as they get older.

1. Increase EI reimbursement rates by an additional five percent this year for services delivered in person.

While we appreciate that last year's budget included a five percent increase in reimbursement rates for services delivered in person, such a modest rate increase is insufficient to meet the needs of EI service providers, make up for previous cuts to the program, and address the significant shortage of providers that is impacting young children's access to timely in-person services. Furthermore, while this rate increase was supposed to start in April 2024, providers are still waiting for the State to implement the five percent increase as a result of administrative delays.

An additional five percent rate increase is necessary to undo the harm caused by years of cuts and underfunding. The State cut the EI service rate for home- and community-based services by ten percent in April 2010 and cut the reimbursement rate for all EI services by an additional five percent in April 2011. Although the State granted occupational, physical, and speech therapists a five percent increase in 2019, and providers working in-person with children a five percent rate increase in 2025, EI provider rates are still lower now than they were twenty years ago.

The low reimbursement rate is having a visible impact on workforce capacity. More than 2,000 providers have left New York State's EI program since 2019, often to work in other settings that offer higher salaries, while dozens of service agencies have closed their doors due to insufficient funds. Likewise, low payment rates make it extremely difficult to attract new professionals to the field; qualified therapists who would otherwise be interested in working with infants and toddlers, including in underserved communities, are likely never joining the EI program in the first place because doing so would not be financially prudent for their own family.

¹ Based on a comparison of 2023 State Performance Plans (SPP) Letters and Annual Performance Report (APR) Letters available here: <https://sites.ed.gov/idea/spp-apr-letters?selected-category=sppapr-part-c&selected-year=2023&state=>



Unfortunately, the people most impacted by the provider shortages are the infants and toddlers with developmental delays or disabilities who are left waiting for the evaluations and developmental services they need and their families. In Fiscal Year 2024, 44% of EI-eligible children in New York City did not receive all their services within the 30-day legal timeline. Significantly, a disproportionately higher share of Black (54%) and Latinx (48%) children failed to receive all their services within the legal timeline compared to White (37%) children.² Similarly, statewide, over the last ten years, there has been a decline of almost 30 percentage points in the proportion of children receiving timely mandated services—from more than 89% in 2014-2015 to just 61% of eligible children receiving all their mandated services on time in the first few months of 2024.³

In addition to these delays, one of the most common concerns we hear from families who contact Advocates for Children about the Early Intervention program is that they are being told that their only option is to accept services through telehealth even when such services are not effective for their child because there are no providers available to work with the family in person.

Families across the State are facing similar dilemmas. According to data presented in December 2024 by the State's Bureau of Early Intervention, between January and March 2024, the primary reasons children did not receive EI services in a timely manner were 1) provider capacity issues (18.32%) and 2) because telehealth was unfeasible or inappropriate but in-person services were not available (17.37%).⁴ Therefore, it is important that the increase in rates apply specifically to EI services delivered in person.

While we appreciate that there was a five percent rate increase in last year's budget, the rate increase was insufficient to meet the needs of children and the legal obligation of the State. Furthermore, due to administrative delays, providers have not yet received this rate increase. Although the rate increase was expected to go into effect in April 2024, the State did not submit a Medicaid State Plan Amendment to move forward with the rate increase until December 2024. We understand that, if the plan is approved, the State intends to make the rate increase retroactive only to October 2024—effectively limiting the increase to only 6 months of the services provided in Fiscal Year 2025.

To begin to address challenges with workforce capacity and delays in providing in-person services, the budget must include an additional five percent increase for in-person services above the increase approved last year. **As such, we are urging the Legislature to include an additional five percent increase in EI reimbursement rates for services delivered in person.**

² NYC Department of Health and Mental Hygiene, Bureau of Early Intervention: *Fiscal Year 2024 Annual Report*.

³ NYS Department of Health: *Annual Performance Report State Systemic Improvement Plan*, December 2024 EICC Meeting.

⁴ NYS Department of Health: *Annual Performance Report State Systemic Improvement Plan*, December 2024 EICC Meeting.



2. Include sufficient funding to meaningfully implement a four percent modifier for underserved communities.

We were pleased that last year's budget included a four percent rate modifier for EI services provided in rural areas and underserved communities to be implemented in April 2025. The plan to provide this additional funding acknowledges long-standing discrepancies within the program and can help address disparities in access to services based on where children live. However, to have a meaningful impact, the State must provide sufficient funding to implement the rate modifier.

A rate-setting taskforce convened by the New York State Early Intervention Coordinating Council has submitted a proposed model for implementing the modifier to the New York State Department of Health. The model defines "underserved areas" as high-poverty zip codes where at least a quarter of children and families wait longer for services than in the rest of their municipality. Similarly, they recommend defining "rural" as areas where a high percentage of families live in rural areas as defined by the New York State census and where a quarter of the children in those areas wait longer to start services.

We urge the Department of Health to accept these definitions of rural and underserved areas and quickly move forward in submitting the State Plan Amendment to ensure that the rate modifier can go into effect in April 2025 as planned. Any delay in implementing the four percent modifier would disproportionately impact children in communities that are already underserved by the program.

We urge the State to include sufficient funding in the budget to implement the four percent rate modifier so that it can serve children in all the areas defined as "rural and underserved" by the proposed model.

3. Include \$1 million in the final budget to fund a comprehensive assessment of the methodology used to determine payment for all EI evaluations, services and service coordination and reforms to ensure the future success of the program.

While an immediate increase in the reimbursement rate is necessary to ensure that providers stay in the workforce and children can receive timely evaluations and services, we also recommend that the State conduct a comprehensive assessment of the existing methodology used to determine payment for all EI evaluations, services and service coordination in order to ensure that the program can properly serve infants and toddlers with developmental delays or disabilities in a timely manner going forward.

Such a study could inform new reimbursement methodologies to address ongoing financial concerns providers face, as well as to address disparities in evaluations and service delivery based on race, income, geographic location, and other factors. Among other things, the assessment should address the cost of services provided in rural and low-income areas, the need for bilingual and culturally competent services, areas with provider shortages, travel time reimbursement, cost of living increases, reimbursement for professional development, and the rate for telehealth services and technology.



Last year, the Senate and Assembly passed a bill (A.10175/S.1198) that would have required the Department of Health to conduct such a study. However, the Governor vetoed the bill because it did not include funding. A similar bill has been introduced this year (A.283/S.1222), but a comprehensive study will require funding for completion.

We urge the Legislature to ensure the final budget includes \$1 million for a comprehensive assessment of the methodology used to determine payment for EI evaluations and services so that the program can properly and equitably serve all infants and toddlers with developmental delays or disabilities.

4. Create a student loan forgiveness program to attract new EI providers.

As another long-term solution to help ensure that the Early Intervention program is able to attract and sustain a workforce that can provide timely and high-quality services to infants and toddlers with developmental delays or disabilities, we also encourage the Legislature to ensure the final budget includes a student loan forgiveness program such as the one proposed in bill A.1974. The State should offer student loan forgiveness to graduates of institutions of higher education willing to provide in-person Early Intervention services. **We urge the Legislature to ensure the final budget includes funding for a student loan forgiveness program that will help increase the provider workforce.**

5. Ensure the State budget does not include any harmful cuts to the program that could negatively impact access to services.

We are deeply concerned that the proposed budget identifies \$19.9 million in savings within the Early Intervention Program to help address costs of various unrelated New York City initiatives. According to the proposed budget, these savings are expected to come from line items labeled “End EI Individual Therapy,” among others. The proposed budget does not provide any further details about these cuts, and the Department of Health has not been able to provide additional insight into what these changes mean.

As summarized above, the Early Intervention program is facing a series of challenges that are having a direct impact on children and families. The State is failing to meet its legal obligations to provide children with timely services in violation of both state and federal law, meaning that young children with disabilities are going without critical services they need at a time when these services could have the greatest impact. The State must not seek to balance the budget by making it harder for children and families to access legally mandated Early Intervention services. Instead of looking to find savings within the program, it is time for the State to make necessary investments in the program.

We strongly oppose any cuts to the Early Intervention program that will limit access to services or lead to greater delays in securing evaluations and services. To the extent that any savings are found within the program, such funds should be reinvested into the program to address delays.



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Thank you for considering our testimony. If you have any questions, please contact me at 212-822-9534 or bbaez@advocatesforchildren.org.

Respectfully submitted,

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