

HB 375

By Rep. Frank Hoffmann

What is EarlySteps? EarlySteps is a program that provides early intervention services to children with a developmental delay from birth to age three. The program serves approximately 3,900 children at any point in time and serves approximately 9,000 children each year.

What does this bill do?

Establishes Family Cost Participation, guarantees protections for families, updates outdated law, and helps to maintain financial viability of the EarlySteps program.

HB 375 - Establishes Family Cost Participation

How much will families be required to contribute? All families will continue to receive some services at no cost. Families who are above 300% FPL will contribute to the cost of some services.

NO COST (ALL families eligible regardless of income.)	Cost Participation (Families above 300% FPL contribute to the cost.)
<ul style="list-style-type: none"> • Referral services • Evaluation and Assessment • Development of the service plan (IFSP) • Case Management or Support Coordination • Implementing the family protections in the early intervention system 	<ul style="list-style-type: none"> • Occupational Therapy • Physical Therapy • Speech Therapy • Audiology • Psychology • Special Instruction • Vision and Hearing Services • Counseling • Social Work • Health, Medical, Nutrition Services

How will the payments be determined? The family’s income will be used to determine the maximum amount that will be paid per month for all services. The maximum amount will be adjusted annually using the Federal Poverty Level Scale.

What will be the impact to a family? The monthly cap is based on 3% of the annual income for a family of 4, using the 2013 Federal Poverty Level Scale.

	300%	350%	400%	450%	500%
Sample Income - Family of 4	\$70,668	\$82,446	\$94,224	\$106,002	\$117,780
Per Hour Service Cost	\$18	\$21	\$23	\$27	\$30
Average cost to the family per month	\$72	\$84	\$92	\$108	\$120
Maximum monthly cost ever	\$176	\$206	\$235	\$265	\$294

Example: A family of four at the 300% FPL is earning between \$70,668 and \$82,446. Therefore, a family of 4 earning less than \$70,668 will continue to receive ALL EarlySteps services at no cost.

HB 375 - Guarantees Protections for Families

What safeguards for families are built into the bill?

- Cost participation starts at 300% FPL, as opposed to starting at 250% FPL.
- A cost participation of 3% of the FPL provides a monthly cap for families and provides consistency in allocation of cost across all income levels.
- The monthly cost participation cap is per family, not per child.
- Families will not be charged for any of the federally mandated “no cost” services.
- Children will receive any needed services if the family has reached the monthly cost participation cap.
- Families who experience financial hardship will have the right to request reconsideration of their financial status and to apply for financial hardship. In addition, a family must be in arrears for 3 months before being considered for suspension or termination from the program.
- Families will receive written, prior notice before decisions or changes are made, or before any costs are assessed. Reassessment of the family’s financial status will be made annually or more often at the family’s request.

HB 375 - Updates Outdated Law

What provisions in the bill update current law?

- Changes the administration of the program from DOE to DHH. (DHH has operated the program since 2006.)
- Updates law to be in compliance with the 2004 changes to the federal law and 2011 changes to the federal guidelines.

HB 375 – Helps to Maintain Financial Viability of the EarlySteps Program

How much will it cost to operate EarlySteps next year?

FY 14 Proposed Budget: \$16.4 M

\$8.2 M State General Funds

\$6.4 M Federal Funds – Part C

\$1.8 M Self-Generated Funds from Family Cost Participation

What will happen if EarlySteps cannot self-generate funds to sustain the program? Federal regulation of this program allows only cost participation or implementation of more stringent eligibility criteria to maintain the costs of the program. If self-generated funds could not be realized, some children would become ineligible for services due to changes in eligibility criteria. In addition, OCDD would have to reorganize its funding in some capacity which would result in reduction of services for the population of persons with developmental disabilities.