Agencies for Children's Therapy Services
Advocacy Day
February 10, 2025

Agencies for Children's Therapy Services (ACTS) is an association of 42 agencies providing Early Intervention, Pre-K, Special Education, and School Age Special Education services. Member agencies collectively serve over half of the 70,000 infants, toddlers, and preschoolers statewide.

Background

- **NY Ranks 50th in the Nation in EI:** New York now ranks 50th in the nation in the timely delivery of services, according to the U.S. Department of Education Office of Special Education Programs (OSEP) Annual Performance Report.

- **Comptroller Report:** In February 2023, the New York State Office of the State Comptroller (OSC) published an alarming report that documented that the ***entire state is underserved*** **with 51% of children in EI not receiving services to which they were entitled**.

- **Access Issues:** **About 3,000 children did not receive ANY of the services that were authorized**. The OSC report reviewed services provided through February 2022. There is evidence from a survey of local officials conducted by the New York State Association of County Health Officials that the provider shortage is rapidly worsening in the three years since the audit was conducted.

- **Rate Increase Denied:** The 2024-25 State Budget authorized a 5% increase in reimbursement for in-person services statewide effective April 1, 2024, but to date that has not been implemented; in fact, a Medicaid State Plan Amendment (SPA #24-0041) was only submitted on December 31, 2024, and the 5% increase will only be retroactive to October 1, 2024.

- **Telehealth Rate Cut:** At the same time, that same State Plan Amendment tied the rate increase to a draconian rate reduction for services delivered via telehealth of 22% for much of downstate New York State, meaning that the 5% rate "increase" is, for many providers, no increase at all. This is anticipated to hurt rural and underserved populations the most. For example, some counties do not even have one speech pathologist in that county.

- **Covered Lives Delayed:** On top of that, the State is also not disbursing the local share of the early intervention covered lives assessment that resulted from legislation enacted in 2021 (Chapter 820). Withholding these local dollars owed to counties, $10 million in each of the last three fiscal years, is putting immense financial strain on the operation of these programs in local health departments; they are understaffed and unable to process new referrals and perform other key

aspects of the program, all of which contribute to children not accessing programs and services.

- **Botched EI-Hub Rollout:** Against this backdrop, the Department of Health launched a new case management and claiming software system, EI-Hub, on October 15, 2024. Regrettably, the launch has been fraught with problems resulting in children waiting for services, long delays in every transaction and delays in payments. As a result, many agencies are either leaving the program, suspending services indefinitely, or failing to pay their therapists.

- **Impact: These actions harm infants and toddlers with disabilities by limiting their access to these programs, and New York State continues to be the state with the worst record in the country for delivering timely early intervention services.**

Request

- **Retroactive Rate Increase:** ACTS asks that the Legislature require the State to live up to its commitment last year and provide a 5% rate increase retroactive to April 1, 2024, regardless of the availability of a Federal share.

- **Additional Rate Increase:** ACTS is grateful for the Legislature's inclusion of an 11% rate increase in its one house bills last year, and asks that, consistent with that, the Legislature provide an additional rate increase of 5% above last year's 5% rate increase, to be funded by an increase in the allocation for Early Intervention from the covered lives pool. **Even with the 5% increase in 2024 and an additional 2024 5% increase in 2025, the reimbursement rates would still be less than pre-2010 levels**.

- **Telehealth Restoration:** ACTS requests that the State submit a modification to the pending State Plan Amendment to remove the proposed decrease in rates delivered via telehealth to avoid further reductions in services, especially to rural and underserved populations, making the current provider shortage even worse.

- **Core Evaluation Rate:** ACTS asks for a 50% increase in the rate of reimbursement for core evaluations, to make it more consistent with the rates in other states with similar service delivery models.

Contacts

Brad Hutton, M.P.H.
Hutton Health Consulting, LLC
(518) 598-4039
bhuttonhealth@gmail.comc cc

Mark Ustin
Farrell Fritz, P.C.
(518) 313-1403
mustin@farrellfritz.com

Dr. Michael Grossfeld, SLPD CCC
ACTS President
(516) 576-2040 Ext. 109
Michael.grossfeld@aakcares.com