

SUBJECT: Continuing the Interagency Council on Early Childhood Intervention

COMMITTEE: Public Health — favorable, with amendment

VOTE: 7 ayes — Gray, Coleman, Capelo, Glaze, Maxey, McClendon, Uresti

0 nays

2 absent — Delisi, Hilderbran

WITNESSES: None

BACKGROUND: In 1981, the Interagency Council on Early Childhood Intervention (ECI) was established to plan and implement services for children under age three who are, or who could become, developmentally delayed. Developmental delay is defined statutorily as a significant variation from the norm in cognitive, physical, communicative, social, emotional, and/or adaptive development.

ECI delivers intervention services, such as speech-language therapy, family counseling, physical therapy, nutrition services, social work, and health services, through a statewide network of contractors, including private nonprofit organizations, state and community mental health and mental retardation centers, local school districts, and the University of Texas Medical Branch at Galveston. ECI also is responsible for implementing a strategy for early identification of children under age three with developmental delay and for coordinating programs with other agencies that serve children with developmental delay.

The council relies heavily on federal funding, which for fiscal 1999 is budgeted at \$42.8 million or about 54 percent of the council's total budget. It receives federal funds primarily through the Individuals with Disabilities Education Act (IDEA), which also directs many of the functions of the agency, and secondarily through Medicaid reimbursements.

The board includes eight members who are family members of children with developmental delay and one member who represents the Texas Education Agency (TEA). The members elect a presiding officer and an assistant presiding officer who serve two-year terms. Six nonvoting members represent

the Texas Department of Health, Texas Department of Mental Health and Mental Retardation, Texas Commission on Alcohol and Drug Abuse, Texas Department of Human Services, Texas Department of Protective and Regulatory Services (DPRS), and Texas Workforce Commission.

**DIGEST:**

HB 1503, as amended, would continue ECI until September 1, 2011, add requirements to its early identification strategy and provider selection and monitoring activities, amend board membership provisions, and make other changes. The bill would take effect September 1, 1999. Changes in board membership and qualifications would apply to members appointed on or after September 1, 1999.

HB 1503 would require ECI to assess the performance of contracted service providers in identifying children with developmental delay, and to improve the early identification of children at risk of developmental delay. The bill also would require the council to coordinate with programs in other agencies that address issues affecting children with developmental delay who are older than three years of age. The council also would be required to provide leadership in addressing issues that affect service effectiveness, such as the provision of respite care. The council would have to submit a report to the governor and Legislature by December 1, 2000, recommending ways to improve the council's delivery of services, including improved identification of developmentally delayed children and increased access to respite care.

HB 1503 would require the council to select providers of services in a manner that provides "best value" by maximizing federal, private, and local funding and that promotes competition. When selecting providers, the council would be required to consider providers' performance, program compliance, service quality and cost, and availability. The bill also would require the council to seek funding that maximizes local, private, and federal sources, and to submit a report by December 1, 2000, recommending ways to maximize the availability of such funds.

HB 1503 also would require the council to work with DPRS to implement policies for situations in which service recipients are vulnerable to abuse or neglect. The council would be required to use the automated systems of the Texas Rehabilitation Commission (TRC), if cost-effective, to plan, manage, and maintain client records. By March 1, 2000, the council would have to

report to the Health and Human Services Commission and the Legislature its determination of cost-effectiveness and use of TRC's systems.

HB 1503 would require the governor to appoint the presiding officer of the board. The assistant presiding officer would continue to be elected by the board membership and would serve a two-year term. The bill also would add standard conflict-of-interest provisions prohibiting board members and their spouses from being officers or employees of a Texas trade association. The bill also would add standard provisions requiring the board to establish a process for handling complaints.

**SUPPORTERS  
SAY:**

HB 1503 would continue ECI, an agency that helps families prepare children with developmental problems for school and to become productive members of society. The bill also would save about \$2.4 million annually in federal funds by improving provider contracting and monitoring, which would help the council expand services to reach all Texas children in need. ECI has done an effective job of making early intervention services available statewide. By maintaining ECI's independent status and making necessary changes, this bill would help increase the council's visibility as a leading source of information and assistance on issues concerning developmental delay.

ECI estimates that 3 percent of all Texas infants, or about 29,000 children in fiscal 2001, experience developmental delays, making them eligible for ECI services. In fiscal 1999, ECI programs are budgeted to reach about 25,000 children and their families.

HB 1503 would require the agency to improve outreach and identification of eligible children. The Sunset Commission staff found that ECI services are not targeted to reach at-risk populations, even though a high probability of developmental delay is associated with low birth weight, poverty, young mothers, and inadequate prenatal care. This bill would require the council to develop plans to target such populations and to assess provider performance in meeting identification goals.

HB 1503 would ensure wise and effective use of funding by requiring the council to assess provider performance according to specific criteria before renewing service contracts. The Sunset Commission found that the council renews grants on a continuation basis unless serious performance issues arise.

This does not create a strong incentive for contractors to remain accountable to program requirements, to lower costs, or to expand services.

In addition, HB 1503 would direct the agency to maximize funding from local, federal, and private sources so that more services can be made available to children. Federal funding through IDEA, though significant, is not enough to meet the demands of Texas' young and growing population. HB 1503 would require ECI to develop strategies to increase other sources of funding. For example, many children who receive ECI services are eligible for Medicaid, but ECI-contracted providers have little incentive to seek Medicaid reimbursement. HB 1503 also may save money through the use of TRC automation systems. The LBB estimates that the state could save \$2.4 million annually in federal funds over the next four years by selecting provider contracts based on "best value" and by maximizing funding sources.

HB 1503 rightfully would continue ECI as a stand-alone agency, because it has a distinct function, a specialized provider network, and a dedicated funding source, and it has helped thousands of children and their families. Merging ECI into TRC would not be beneficial because TRC serves an adult population, which has different needs and requires professionals with different skills from those required to serve toddlers. Also, ECI is now located with TRC, and by requiring that ECI share TRC's automated automation services, HB 1503 would achieve whatever cost savings would likely accrue from simply merging ECI's functions into TRC while avoiding the many disadvantages. Placing ECI within TEA would decrease ECI's visibility and effectiveness due to the many competing priorities and programs of that large agency. TEA's representation on the ECI board is sufficient to coordinate the activities of the two agencies. Other proposed legislation that would amend the authority of the Health and Human Services Commission could improve ECI's coordination with other agencies and help maximize federal funds.

HB 1503 would direct the agency to work with local providers to find ways of providing respite care, the use of trained personnel to provide temporary relief from caregiving activities for primary caregivers, either in the home or elsewhere. The bill would establish a framework for the agency to provide respite services, should increased funding for respite care become available through appropriations. The agency would like to provide respite care and has requested about \$8 million in additional funds for fiscal 2000-01 to do so.

OPPONENTS SAY: HB 1503 should abolish ECI as a separate agency and combine its functions with those of a larger agency that has established automation systems to monitor program contractors effectively and has ongoing resources and programs to increase public awareness. TEA, which also prepares and assists children for school and receives IDEA funding, or TRC, which provides extensive rehabilitation services, could be a more appropriate and cost-effective alternative to house ECI activities.

OTHER OPPONENTS SAY: HB 1503 does not go far enough in making respite services available for families with children with developmental delay. Respite care is an important determinant of a family's ability to provide ongoing care for their children. It gives the caregivers a break from the stress of constant duty to a child with severe developmental delay and time off to tend to other family priorities or crises. Respite services prevent parents from feeling overwhelmed and isolated, which can be primary causes of child abuse and neglect. Also, lack of respite care increases the risk of institutionalizing the children, a service that costs the state far more. HB 1503 encourages the council to take leadership and to develop incentives for providers of respite care, but additional funding is needed to make respite care truly available statewide.

NOTES: The committee amendment would change the new sunset date for the agency to 2011 from 2007 in the original version of the bill.

The companion bill, SB 360 by Harris, has been referred to the Senate Human Services Committee.