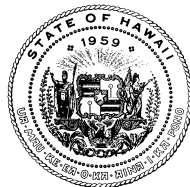


NEIL ABERCROMBIE
GOVERNOR OF HAWAII



LORETTA J. FUDDY, A.C.S.W., M.P.H.
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

Senate Committee on Ways and Means

S.B. 2595 S.D. 1, RELATING TO EARLY INTERVENTION SERVICES

**Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health**

February 28, 2012

1 **Department’s Position:** The Department of Health (DOH) opposes this bill. Decisions regarding
2 eligibility criteria for early intervention (EI) program services are the responsibility of the DOH, are
3 addressed through the administrative rule-making process involving public hearings, and should not be
4 legislatively mandated. Furthermore, DOH does not have sufficient funding to maintain services for the
5 current eligible population. Since this bill maintains eligibility at a level where ineligible children are
6 those who have “typical” or “normal” development, it would be inappropriate to specify the provision of
7 EI services by purchase-of service (POS) providers for ineligible children at cost to families.

8 **Fiscal Implications:** DOH does not have funds to maintain services based on the eligibility criteria
9 required by this bill or study the feasibility of a sliding fee system. Whether the DOH can generate
10 sufficient funds through a sliding fee to cover the cost of meeting the eligibility requirements of this bill
11 is not known. If the priority of the legislature is to maintain current eligibility, the DOH will need
12 additional state funding.

13 **Purpose and Justification:** A provision of this bill is the requirement that EI services be maintained at
14 its current eligibility level of 1.0 Standard Deviation (S.D.) below the norm. However, any eligibility
15 change is the responsibility of the DOH and should not be legislatively mandated. The DOH has the

1 responsibility to provide EI services that meet the requirements of Part C of the Individuals with
2 Disabilities Education Act (IDEA) and Hawai'i Revised Statutes §321-351 to 357, within appropriated
3 state and federal funding resources. Due to insufficient funding to maintain EI services based on current
4 eligibility criteria, the DOH is revising the criteria through the administrative rule-making process which
5 includes public hearings. The DOH will need additional state funding to maintain current eligibility
6 requirements.

7 The establishment of a sliding fee system must be also consistent with federal Part C regulations
8 on the system of payments and fees. Although the bill states that income may be via self-declaration,
9 the DOH will have added costs for fee collection, accounting, and determination of financial hardship.
10 Because family income is currently not collected, a study is needed to determine whether implementing
11 a sliding fee system is feasible and can generate revenue that is greater than the cost.

12 The bill gives the DOH the option to require POS providers to provide EI services for ineligible
13 children at cost to families. However, this bill maintains eligibility at a level where ineligible children
14 are those who have “typical” or “normal” development – so it would inappropriate for such children to
15 receive EI services from POS providers at cost to families.

16 Thank you for the opportunity to testify.

I support SB2595 SD1 with one minor change, and I greatly appreciate the Senate Committees on Health and Human Services' commitment to early childhood. This bill is necessary to prevent further erosion of early childhood services.

Proposed new section (b) current includes "shall maintain eligibility criteria or the scope of covered services". I respectfully request that the "or" be changed to an "and". The "or" would allow maintainance of eligibility with elimination of all services, which would not address the intent of preserving early childhood services.

If early childhood is a priority, then don't cut funding for early childhood services. At times of necessary fiscal prudence, such as these, values and priorities are reflected through funding decisions. The issue at hand is whether early childhood is a priority. Too often decisions are made based on the next fiscal year without carefully considering the human and financial costs in out years. With multiple competing priorities, our core values provide the guiding principles.

The importance of early intervention is based on societal values and commitment to early childhood. These children can't advocate for themselves, and as they age their parents are more inclined to advocate for the services needed at that stage. The degree of vociferousness of support for this bill should not be the measure of its importance.

The 0-3 year old window may be the best if not only chance to help. The developmental period of 0-3 years old may be the most significant formatively. Failure to address a problem during this window may result in lifelong problems and lost opportunity, including the need for ongoing services and reduced maximum potential.

We should not give up on our keiki. Giving up on children before they are even three years old would be a truly sad decision. The Early Intervention Program provides services to children who have greater than a 1 standard deviation (SD) deficit. Under the proposed new eligibility criteria, only children with a more severe 1.5 SD deficit, i.e. less than half of those previously, are eligible. So instead of helping students who might be graded as "D's" and "F's" get to "B's" and "C's", under the proposed eligibility, we'd now be ok getting them to "C's" and "D's".

We should not stop treating keiki who continue to improve. A child who has a >1.5 SD deficit is currently eligible for EIP services. Under the proposed new eligibility criteria, as soon as the child improves to a <1.5 SD deficit, the child would no longer be eligible. For a child who has demonstrated the ability to respond and continue to improve with treatment, why would we stop services and deny them reaching their potential?

If there is a genuine commitment to early childhood, then early intervention services should be adequately funded. We should be advancing, not regressing; restoring, not reducing; and investing, not abandoning.