Services Group of the Infrastructure Task Force
Notes from October 20, 2003 Meeting in Richmond

Present: Deana Buck, Jim Gillespie, Shannon Rice, Nancy Butts, Beth Tolley

Financial Situation

- With the loss of $1 million in DSS funds and the spend down of the supplemental federal Part C funds, there is a decrease of approximately $3 million available for early intervention next year compared to what was available this year.
- To compound this loss of funds, there is decreased revenue for private providers resulting from the Medicaid payment system mandated by the '03 legislature. CSBs were excluded from this. Private providers provide approximately 60% of Virginia's early intervention services. Some private providers in Northern Virginia have stopped seeing children with Medicaid as a result of this reduction in reimbursement, and providers in other parts of Virginia have indicated that they cannot afford to continue to provide early intervention services unless the situation is remedied.
- The exclusion of reimbursement by Medicaid for costs related to travel associated with providing services in natural environments represents a loss of revenue for CSBs and all providers who had been able to factor in these costs.
- The amount of funding that the VACSB, ARC and Coalition for the Mentally Disabled were advocating for was based on information prior to the loss of the $1 million DSS funding and may not be adequate to support the additional funding losses.

Early Intervention Process – Table

- Facilitating factors and barriers were identified for each step in the process
- Through this process, places where training is needed were identified
- In order to implement the service guidelines consistently throughout the state, specific, consistent assistance and support is needed at the local level with refining systems and operations, policies/procedures, etc.

Administrative Fees (*Administrative Costs to Meet Part C Direct Service Requirements)*
*This is not the same as the Administrative category of the Local Part C Budget that is not to exceed 3% of the LICC's Part C allocation.

Issues

- Originally intended to offset the additional costs of providing Part C services including the extra paperwork, meetings that were not paid for, travel that wasn't reimbursed, etc.

- As of July 03, increases are being requested in some area to partially offset loss of revenue due to cuts from Medicaid prospective payment system. Loss of private providers is the alternative.
- Not standardized as to what is included from council to council
    - Costs associated with NE costs
    - IFSP meetings
    - Team meetings
    - Offset loss of revenue from cuts from insurance cuts
- Methodology for determining rates varies from council to council from capitated rates to per visit rates based on cost settlement type methodology.
- Until providers throughout Virginia are consistently implementing the service guidelines, using a methodology based on frequency is problematic. (There continue to be places throughout Virginia where high frequencies of therapy services are being provided).
- Requests for administrative fees due to loss of revenues resulting from a number of factors including managed care and the prospective payment system raise questions of cost shifting and supplanting.
- Where will the money come from to pay administrative fees?
- What standardized methodology could be consistently and fairly applied throughout the state given the vastly different way councils and systems and providers operate?

Review of Issues from Sept. 3, 2003 Meeting

1. Table – **See separate handout**
2. Identify what it will take for the state to consistently provide supports and services as described in the services guidelines – **This is being incorporated into the table**
3. Cost of collecting funds – Infrastructure is addressing
4. Define evidence-based practice: "***Practices are considered 'evidence-based' when multiple research studies using the same or similar practices are related to the same or similar results or findings. Replication of the same effects across studies strengthens our ability to relate a specific practice to a specific outcome***." Puckett Institute (http://www.researchtopractice.info/whatisebp.php)
5. Determine what is best way to serve as many children and families as possible with available funds. **This is addressed through the "Individualized Part C Early Intervention Supports and Services in Everyday Routines, Activities and Places Technical Assistance Document."**
6. Develop a system of ongoing high quality, relevant personnel training and development. **This is being incorporated into the table**
7. Address provider shortages that have occurred for a variety of reasons including the DMAS prospective payment.
8. Educate everyone about Part C rules

9. When cost study results are available, look for trends, cost-benefits based on models of service delivery and urban versus rural perspective, etc.

Issues from Infrastructure Group

1. Administrative Fees – **addressed above**
2. Mandated Services – **need clarification – believe we are addressing in Table**
3. Natural Environments – **Service Group Making recommendation**
4. Define Minimal Standards – **Addressing in Table**
5. Need to provide training – nuts and bolts – **Addressing in Table**
6. Consistency of minimum service Delivery – **Addressing in Table**

Recommendations:

1. **The delivery of early intervention supports and services in natural environments is the foundation for quality services in Virginia. Thus the issue of provision of services in natural environments is resolved.**

2. **The differential Medicaid rate structure for private providers, which is resulting in some private providers pulling out of early intervention and others on the verge of pulling out, needs to be addressed/rectified.**

For further discussion at the October 27, 2003 meeting:

- **Virginia's early intervention system model of parent education – clarifying this might shed light on the issues related to medical versus developmental as well as frequency questions.**