



**House Appropriations Subcommittee on Article II
Comments on Request for Information Charge #5
Sept. 30, 2020**

Submitted on behalf of:
Texas Pediatric Society
Texas Medical Association
Texas Academy of Family Physicians

Chairwoman Davis and Committee members,

Thank you for the opportunity to provide written comments on the Charge No. 5 request for information:

Examine state investments in the health and brain development of babies and toddlers, including Early Childhood Intervention and other early childhood programs for children in the first three years. Evaluate opportunities to boost child outcomes and achieve longer-term savings today on the vital importance of the ECI program for some of Texas' most at-risk and vulnerable infants and toddlers.

A Child's First 1,000 Days Are the Most Crucial

The brain science is clear – a child's brain grows and is shaped by his or her experiences more between conception and the beginning of the third postnatal year than at any other time in the child's life.¹ Neurological pathways are being formed at a rapid pace, building on one another to create an increasingly complex structure. If one or more pathways develops incompletely or not at all, it could result in physical, emotional, and psychological consequences. Prolonged childhood adversity, adverse childhood experiences, and social determinants of health – the environments where children live, learn, and play – have the potential to dramatically impede early brain development and lead to life-long negative health and social outcomes. Therefore, Texas must enact measures to ensure all families have access to programs that promote optimal brain development and lifelong success. Federal programs, such as the Women, Infants, and Children program, the Supplemental Nutrition Assistance Program, and the Child and Adult Care Food Program are part of the solution, ensuring eligible families have access to nutritious food. Other programs include maternal, infant, and early childhood home visiting programs such as Nurse Family Partnership, children's and maternity Medicaid, and the Early Childhood Intervention (ECI) program. State lawmakers have specific authority to invest in and make policy enhancements to the latter three programs:

- Children's and maternity Medicaid,
- Early Childhood Intervention,
- Home visiting programs housed at the Texas Department of Family and Protective Services.

Medicaid Is the Largest and Most Vital Early Childhood Program in the State

The largest early childhood program in the state is Texas Medicaid, providing access to health care and other services to more than 3.2 million children and maternity care to 180,000 women. Beyond providing health care coverage, the program also serves as a vital social institution because of its regular contact with low-income parents and children. Before a child's third birthday, families will have used Medicaid to see their pediatrician or family physician 12 or more times for preventive pediatric health care. Well-child visits ensure children receive vital immunizations to protect them from infectious diseases; screenings to monitor for developmental disabilities or delays; physical examinations to monitor growth; and anticipatory guidance to keep them safe where they live, learn, and play. These visits also serve as referral hubs to other vital early childhood programs such as ECI and home visiting. Unfortunately, recent preliminary data from the Centers for Medicare & Medicaid Services show that primary, preventive, and mental health services have decreased among children in the Medicaid program. While service delivery via telehealth for children has increased dramatically, it has not increased enough to offset this decline in services. Moreover, the technology is not appropriate or viable for some services, including vaccinations. Vaccination rates, childhood screenings, dental services, and outpatient mental health services have not returned to pre-COVID levels.

Because COVID-19 will be part of our lives for the foreseeable future, Texas should collaborate with physicians, community clinics, health plans, and other stakeholders to increase outreach and better educate Texas families about the importance and safety of in-person health, behavioral, and dental services. For example, skipping in-person developmental screens could result in delayed diagnosis and intervention. As noted above, young brains rapidly change so if a child misses a developmental milestone, early intervention can still correct it.

Contributing to the number of families skipping their children's important preventive care appointments is Texas' error-prone, periodic Medicaid eligibility review system, which results in many children cycling on and off coverage. These reviews result in around 4,100 children being disenrolled from Medicaid each month, though nine out of 10 are still eligible. Parents then must reapply. This process adds to the reasons why Texas continues to have the highest number and rate of uninsured children in the nation. One in five uninsured children *in the country* live in Texas. Children churning off Medicaid leads to higher costs per enrollee because physicians and health plans cannot consistently manage or coordinate a child's health care needs. Furthermore, it hurts quality-based value initiatives in Medicaid managed care designed to control costs.

Texas Medicaid also pays for more than 53% of Texas births, making it the largest health care payer for Texas women's perinatal care from conception to postpartum. This time is crucial for child development and the safety and well-being of the mother. Unfortunately, Texas Medicaid coverage ends 60 days after birth, creating an unstable dynamic for mother and baby during this crucial time. We must find a way to ensure coverage for postpartum women, a recommendation by the Texas Maternal Mortality and Morbidity Review Committee. Texas recently created Healthy Texas Women (HTW) Plus to provide enhanced coverage for postpartum women, focused on the illnesses and conditions most likely to contribute to maternal mortality or morbidity, such as treatment for postpartum depression. HTW Plus is a step in the right direction. However, we support Texas extending a full year of *comprehensive* Medicaid coverage as well as drawing down federal funding to find a coverage solution for more than 1.5 million low-income working Texans currently without access to affordable insurance. Furthermore, in states that expanded Medicaid expansion, the number of uninsured children also declined. When parents have coverage and seek medical care, they are more likely to ensure their children are covered as well.²

Recommendations:

- Increase funding for health coverage outreach and enrollment to help families enroll in and access Medicaid and the Children’s Health Insurance Program.
- Eliminate midyear reviews in children’s Medicaid and institute the nationwide best practice of 12 months’ continuous coverage.
- Extend Medicaid coverage for new mothers to one year postpartum and find a coverage solution to ensure all low-income working Texans can gain access to affordable health care.

Continued Investment in ECI Is Crucial Even During Fiscal Hardships

ECI is a statewide program for families with children, birth to age three, with disabilities and/or developmental delays. For more than 30 years, ECI has supported more than 800,000 families to help their children reach their potential through targeted developmental services and parent counseling and training. What makes ECI different from other services is its focus on training parents and other caregivers, such as grandparents or child care facilities, on how best to help a child achieve specific goals and developmental milestones.

The benefits of early intervention services, like Texas’ ECI program, are numerous for both child health outcomes and economic advantages to the family and society. A substantial amount of longitudinal research has demonstrated that access to early intervention for children results in marked improvement in verbal abilities, receptive language scores, and overall cognitive abilities, which can translate later in life to better school performance, graduation rates, and social and emotional skills need to succeed in life.

By intervening early, when a baby’s cognitive and physical health are still being formed, we can reduce costs in other domains and interventions, such as school-age special education services, and improve a child’s functional trajectory for life. Furthermore, early intervention services such as ECI are vital to more high-risk populations of children including those who come from environments of abuse and neglect, those with mental health issues, those from culturally diverse backgrounds, and children living in economically deprived environments.³

It is also important to note that Texas’ ECI program, compared with the national average, has demonstrated that when children do receive service, the program is especially effective in producing results. On the three global health outcomes reported to the federal Office of Special Education Programs, Texas children significantly increased their rate of growth in the following key domains:

- Positive social-emotional skills including getting along with other children and relating to adults;
- Acquisition and use of knowledge and skills including reasoning, problem solving, and early literacy and math skills; and
- Use of appropriate behaviors to meet their needs including feeding, dressing, self-care, and following rules related to health and safety.⁴

Primary care pediatricians and family physicians have the pleasure of caring for children with a wide variety of behavioral and developmental needs. Most children experience normal behavioral issues, including the so-called “terrible twos.” But a subset suffers from hearing or speech delays, swallowing or walking difficulties, developmental delays, or other physical or developmental challenges that may affect one or more areas, including cognition, motor skills, and language. Delays may be mild or more far-reaching and can stem from a variety of causes, including autism, Down syndrome, or spinal muscular atrophy.

Given what the science tells us about the importance of early intervention in restoring or mitigating the effects of developmental delays, physicians who care for children are thankful for the ECI program, which provides early identification of development delays and in-home services to children 0-3 years of age. In fact, physicians are federally required to refer a child with developmental delay or disability under the age of 3 within seven days of identification.⁵ Texas physicians make up most of the referrals to ECI programs and as such depend on a robust network of contractors across the state to address a child's development needs and to practice in accordance with the law.

The Texas Legislature made a sizeable \$31 million investment in the ECI program during the 2019 legislative session to ensure a robust network of community providers in all areas of the state. Without these providers, children will go without much-needed services during the most crucial time in their life. While this investment is most welcome, it still does not raise the per-child spending to 2013 levels, or \$484 per child each month. Furthermore, more investment is needed to ensure all providers have adequate funding for Child Find services, which go into hard-to-reach communities to find families who need services. This is especially important because of a 2018 report⁶ that found Black children made up a disproportionate share of decreased enrollment compared with Hispanic or White children. Finally, to ensure ECI providers remain financially stable, we need to ensure they have access to as many diverse and sustainable funding and billing sources as possible. While providers currently pull from more third-party sources compared with any other state, they still have a difficult time billing commercial insurance for unique ECI services such as specialized skills training (SST) or targeted case management (TCM). Currently, Medicaid pays for these services, but many commercial insurances regulated by the Texas Department of Insurance (TDI) do not. To save the state money from paying for these services directly, the state legislature could require all TDI-regulated health plans to pay for SST and TCM. A 2017 Legislative Budget Board staff report recommends this approach.⁷

Recommendations:

- Continue investment in Early Childhood Intervention services to ensure all children can access needed services.
- Provide specific funding for ECI Child Find services to alleviate racial disparities in enrollment.
- Require Texas Department of Insurance-regulated health plans to pay for specialized skills training and targeted case management to save funding in Article II appropriations.

COVID-19 and Implementation of the Family First Prevention Services Act (FFPSA) Create a Perfect Opportunity to Invest in Early Childhood Prevention and Early Intervention Services

The COVID-19 pandemic has wreaked havoc on families with young children. The combined stress of ubiquitous public health messaging, social distancing, and the closure of classrooms and child care is a recipe for overworked and isolated parents. Families under financial pressures due to job loss can lead to anger, confusion, and increases in substance use. Children can then be at higher risk for abuse and neglect. As a state, we must rededicate ourselves to ensure families have the resources and services they need to thrive during these tumultuous times.

The Texas Department of Family and Protective Services uses several evidence-based prevention service models to offer services to families that prevent child abuse and neglect, increase protective factors, promote safety and healthy relationships in the home, and promote resilience. Many programs such as Nurse-Family Partnership and Parents as Teachers are considered well-supported by the Title IV-E Prevention Services Clearinghouse and are eligible for matched reimbursement through the new funding structure created by the FFPSA. Continued investment in these programs from the Texas Legislature can

draw down even more federal funding and in turn reduce spending in the child welfare and health care systems.

Recommendations: Bolster funding for Texas Department of Family and Protective Services prevention and early intervention programming to draw down additional federal dollars through the Family First Prevention Services Act and help families struggling through the pandemic.

Thank you for the opportunity to provide comments on behalf of our organizations. For any questions or follow up, please reach out to Clayton Travis, director of advocacy and health policy with the Texas Pediatric Society, at clayton.travis@txpeds.org or (512) 370-1516.

¹ Advocacy for Improving Nutrition in the First 1000 Days to Support Childhood Development and Adult Health Sarah Jane Schwarzenberg, Michael K. Georgieff, COMMITTEE ON NUTRITION. *Pediatrics*. February 2018, 141 (2) e20173716; DOI: 10.1542/peds.2017-3716.

² Searing, A. (September 2017). Medicaid's "Welcome Mat" Effect Means Medicaid Expansion Helps Children Get Health Coverage. Georgetown Center for Children and Families. Retrieved from: <https://ccf.georgetown.edu/2017/09/15/medicaids-welcome-mat-effect-means-medicaid-expansion-helps-children-get-health-coverage/>

³ Early Intervention, IDEA Part C Services, and the Medical Home: Collaboration for Best Practice and Best Outcomes. Richard C. Adams, Carl Tapia, THE COUNCIL ON CHILDREN WITH DISABILITIES. *Pediatrics*. October 2013, 132 (4) e1073-e1088; DOI: 10.1542/peds.2013-2305.

⁴ Early Childhood Intervention Services. (2016). *The Value of ECI*. Texas Health and Human Services Commission. Retrieved from: <https://hhs.texas.gov/sites/default/files/documents/services/disability/eci/ECI-value.pdf>

⁵ 34 CFR (Code of Federal Regulations) Sec. 303.303 (a)(2)(i). Retrieved from: www.ecfr.gov/cgi-bin/text-idx?c=ecfr:sid=65e04594421191528ad86f073961470b;rgn=div5;view=text;node=34%3A2.1.1.2;idno=34;cc=ecfr#se34.2.303_1303

⁶ Texans Care for Children. (November 2018). New Data Show Decline in funding for Texas Early Childhood Intervention (ECI). Retrieved from: <https://static1.squarespace.com/static/5728d34462cd94b84dc567ed/t/5c0ed746cd8366413d0490f9/1544476498788/2018-ECI-Funding-Report.pdf>

⁷ Legislative Budget Board. (January 2017). Financing Options for the Early Childhood Intervention Program. Legislative Budget Board Staff Report. Retrieved from: www.lbb.state.tx.us/Documents/Publications/Staff_Report/3729_LBB_Staff_Reports.pdf#early_childhood