

**DHS BUDGET REQUEST FOR FY 2016-2017**  
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:  
Pp. E30.2, E30.6, E30.33-34, E30.42

**APPROPRIATION:**  
Early Intervention

<b>I. SUMMARY FINANCIAL DATA</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>
	<u>Actual</u>	<u>Available</u>	<u>Budgeted</u>
State Funds	\$127,974	\$127,974	\$129,211
Federal Funds Total	\$79,067	\$74,225	\$75,698
Federal Sources Itemized			
<i>Education for Children with Disabilities</i>	\$19,953	\$19,953	\$22,057
<i>Medical Assistance-Early Intervention</i>	\$59,114	\$54,272	\$53,641
Other Funds	\$0	\$0	\$0
<b>Total</b>	<b>\$207,041</b>	<b>\$202,199</b>	<b>\$204,909</b>
<b>IA. REQUESTED SUPPLEMENTALS (Included above)</b>			
State Funds		\$0	
Federal Funds		\$0	
<b>Total</b>		<b>\$0</b>	

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	APPROPRIATION: Early Intervention				
	2014-2015 Actual	2015-2016 Available	2016-2017 Budgeted	Change Budgeted vs. Available	Percent Change
<b>PERSONNEL</b>					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Personnel</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>OPERATING</b>					
State Funds	\$2,020	\$2,020	\$2,020	\$0	0.00%
Federal Funds	\$1,253	\$1,253	\$1,253	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Operating</b>	<b>\$3,273</b>	<b>\$3,273</b>	<b>\$3,273</b>	<b>\$0</b>	<b>0.00%</b>
<b>FIXED ASSETS</b>					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Fixed Assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>GRANT &amp; SUBSIDY</b>					
State Funds	\$125,954	\$125,954	\$127,191	\$1,237	0.98%
Federal Funds	\$67,542	\$68,319	\$69,995	\$1,676	2.45%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Grant &amp; Subsidy</b>	<b>\$193,496</b>	<b>\$194,273</b>	<b>\$197,186</b>	<b>\$2,913</b>	<b>1.50%</b>
<b>NONEXPENSE</b>					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Nonexpense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>BUDGETARY RESERVE</b>					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$10,272	\$4,653	\$4,450	(\$203)	-4.36%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Budgetary Reserve</b>	<b>\$10,272</b>	<b>\$4,653</b>	<b>\$4,450</b>	<b>(\$203)</b>	<b>-4.36%</b>
<b>UNCOMMITTED</b>					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Uncommitted</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>OTHER</b>					
State Funds	\$0	\$0	\$0	\$0	0.00%
Federal Funds	\$0	\$0	\$0	\$0	0.00%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Other</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>TOTAL FUNDS</b>					
State Funds	\$127,974	\$127,974	\$129,211	\$1,237	0.97%
Federal Funds	\$79,067	\$74,225	\$75,698	\$1,473	1.98%
Other Funds	\$0	\$0	\$0	\$0	0.00%
<b>Total Funds</b>	<b>\$207,041</b>	<b>\$202,199</b>	<b>\$204,909</b>	<b>\$2,710</b>	<b>1.34%</b>

**APPROPRIATION:**  
Early Intervention

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	2013-2014	2014-2015	2015-2016 Estimated
State Funds	\$7,428	\$0	\$0

IV. COMPLEMENT INFORMATION	12/31/2014	12/31/2015	2016-2017 Budgeted
<b>State/Federally Funded</b>			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
<b>Federally Funded</b>			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
<b>Other Funded</b>			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
<b>Total</b>			
<i>Authorized</i>	N/A	N/A	N/A
<i>Filled</i>	N/A	N/A	N/A
<b>Benefit Rate</b>	N/A	N/A	N/A

**V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA**

**Derivation of Request:**

The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase of \$1.237 million over the Fiscal Year 2015-2016 State funding level of \$127.974 million. The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase of \$2.104 million over the Fiscal Year 2015-2016 Federal funding level of \$19.953 million for Education for Children with Disabilities. The Fiscal Year 2016-2017 Governor's Executive Budget reflects a decrease of \$0.631 million in Federal funds under the Fiscal Year 2015-2016 Federal funding level of \$54.272 million for Medical Assistance - Early Intervention.

Details for the appropriation request are outlined in Section VI entitled "Explanation of Changes" on subsequent pages.

**Legislative Citations:**

62 P.S. §§ 201, 206; Early Intervention Services System Act of 1990, 11 P.S. § 875-101 et seq.  
Individuals with Disabilities Education Act (IDEA), 20 U.S.C. § 1400 et seq.

**Disbursement Criteria:**

Disbursements are made based on allocations developed by the Office of Child Development and Early Learning. Counties receive quarterly advance payments based on their individual allocations in accordance with the Early Intervention Services System Act of 1990. Early and Periodic Screening, Diagnosis and Treatment (EPSDT) providers submit invoices for payment of eligible services rendered through the Provider Reimbursement and Operations Management Information System. The allocations are based on the prior year's program and special needs identified by counties during a rebudget process. Counties also receive funding for new or expanded programs or to annualize programs initiated in the prior year.

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Early Intervention			
	State \$	Federal \$	Other \$	Total \$
<b>GRANT &amp; SUBSIDY</b>				
1. The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase of \$2.694 million for Maintenance and Coordination over the Fiscal Year 2015-2016 funding level of \$88.128 million:	\$618	\$2,076	\$0	\$2,694
2. The Fiscal Year 2016-2017 Governor's Executive Budget maintains the average number of children using services in the Early and Periodic Screening, Diagnosis and Treatment program at 5,890:	\$0	\$0	\$0	\$0
3. The Fiscal Year 2016-2017 Governor's Executive Budget maintains the average weekly cost per user of services in the Early and Periodic Screening, Diagnosis and Treatment program at \$283:	\$0	\$0	\$0	\$0
4. The Fiscal Year 2016-2017 Governor's Executive Budget maintains the average number of children using services in the Infant, Toddler and Family Waiver program at 543:	\$0	\$0	\$0	\$0
5. The Fiscal Year 2016-2017 Governor's Executive Budget maintains the average weekly cost per user in the Infant, Toddler and Family Waiver program at \$298:	\$0	\$0	\$0	\$0
6. The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase of \$0.152 million over the Fiscal Year 2015-2016 State funding level of \$8.718 million for on-going county Early Intervention administration:	\$152	\$0	\$0	\$152
7. The Fiscal Year 2016-2017 Governor's Executive Budget provides an increase of \$.033 million in State funding and an increase of \$0.034 million in Federal funding for County Waiver Administration over the Fiscal Year 2015-2016 funding level of \$3.093 million:	\$33	\$34	\$0	\$67
8. The Fiscal Year 2016-2017 Governor's Executive Budget maintains State funding for County Training at the Fiscal Year 2015-2016 funding level of \$0.641 million:	\$0	\$0	\$0	\$0
9. Impact of the change in the Federal Medical Assistance Percentage from 52.01 percent to 51.78 percent, effective October 1, 2016. Full-year blended rate decreases from 51.9625 percent in Fiscal Year 2015-2016 to 51.8375 percent in Fiscal Year 2016-2017:	\$117	(\$117)	\$0	\$0
10. Impact of the loss of enhanced Federal funding associated with the Balancing Incentive Program which expired on September 30, 2015:	\$317	(\$317)	\$0	\$0
<b>Subtotal Grant &amp; Subsidy</b>	<b>\$1,237</b>	<b>\$1,676</b>	<b>\$0</b>	<b>\$2,913</b>
<b>BUDGETARY RESERVE</b>				
1. Reflects a change in excess Federal spending authority in Fiscal Year 2016-2017:	\$0	(\$203)	\$0	(\$203)
<b>TOTAL</b>	<b>\$1,237</b>	<b>\$1,473</b>	<b>\$0</b>	<b>\$2,710</b>

**Early Intervention**  
**Fiscal Year 2015-2016 Available**

	<u>TOTAL</u>	<u>STATE</u>	<u>MA Early Intervention</u>	<u>Ed for Children w/Disabilities</u>
Maintenance and Coordination	88,128,000	71,135,000	-	16,993,000
Early & Periodic Screening, Diagnosis and Treatment (EPSDT)	86,788,000	41,692,000	45,096,000	-
On-Going County EI Administration	8,718,000	8,718,000	-	-
Infant, Toddlers & Families Medicaid Waiver Program	8,405,000	4,038,000	4,367,000	-
County Waiver Administration	3,093,000	1,547,000	1,546,000	-
County Training	641,000	641,000	-	-
<b>SUBTOTAL CARRYFORWARD</b>	<u>195,773,000</u>	<u>127,771,000</u>	<u>51,009,000</u>	<u>16,993,000</u>
Tuscarora Intermediate Unit 11 Contract (Oper)	3,273,000	2,020,000	-	1,253,000
Carryforward	(1,500,000)	(1,500,000)	-	-
<b>Annualized Fiscal Year 2015-2016 Initiative</b>				
Balance Incentive Program	-	(317,000)	317,000	-
Budgetary Reserve	4,653,000	-	2,946,000	1,707,000
Surplus/Deficit	-	-	-	-
<b>PROGRAM Total</b>	<u><u>202,199,000</u></u>	<u><u>127,974,000</u></u>	<u><u>54,272,000</u></u>	<u><u>19,953,000</u></u>

**Early Intervention**  
**Fiscal Year 2016-2017 Governor's Executive Budget**

	<u>TOTAL</u>	<u>STATE</u>	<u>MA Early Intervention</u>	<u>Ed for Children w/Disabilities</u>
Maintenance and Coordination	90,822,000	71,753,000	-	19,069,000
Early & Periodic Screening, Diagnosis and Treatment (EPSDT)	86,788,000	41,799,000	44,989,000	-
On-Going County EI Administration	8,870,000	8,870,000	-	-
Infant, Toddlers & Families Medicaid Waiver Program	8,405,000	4,048,000	4,357,000	-
County Waiver Administration	3,160,000	1,580,000	1,580,000	-
County Training	641,000	641,000	-	-
<b>SUBTOTAL CARRYFORWARD</b>	<u>198,686,000</u>	<u>128,691,000</u>	<u>50,926,000</u>	<u>19,069,000</u>
Tuscarora Intermediate Unit 11 Contract (Oper)	3,273,000	2,020,000	-	1,253,000
Carryforward	(1,500,000)	(1,500,000)	-	-
Budgetary Reserve	4,450,000	-	2,715,000	1,735,000
<b>PROGRAM Total</b>	<u><u>204,909,000</u></u>	<u><u>129,211,000</u></u>	<u><u>53,641,000</u></u>	<u><u>22,057,000</u></u>

## **EARLY INTERVENTION**

### **PROGRAM STATEMENT**

The Pennsylvania early intervention service system assures supports and services for infants and toddlers with developmental delays and disabilities. Early intervention programs are provided in close collaboration with the family to address the developmental, physical, communication, cognitive, social and adaptive needs of eligible children. Early Intervention is administered at a local level through 48 county or jointer operated programs.

Children who may need early intervention receive a screening and comprehensive evaluation to determine if they are eligible. The evaluation also provides information about the family's priorities for the child, important developmental needs, and family routines. The evaluation is followed by the development of an Individual Family Service Plan (IFSP), which identifies important goals and describes the services and strategies needed to meet them. The family is a key member of the evaluation and planning process.

Children receiving early intervention may be provided special instruction, developmental therapies and other services, usually provided in "natural environments," such as the home, child care or other community locations. All early intervention services are intended to address the child's individual needs, promote family independence, build on the child's and family's strengths and help families create enhanced learning opportunities within their daily routines.

Children exposed to certain risks, including lead exposure, treatment in a neonatal intensive care unit, low birth weight, birth to a chemically dependent mother, serious abuse and homelessness are eligible for tracking—periodic monitoring to insure that early intervention is provided in a timely fashion if developmental delays emerge.

State statute requires 2 to 4 percent of State funds be used for professional development and technical assistance. To meet this requirement, a portion of State funding is distributed to the statewide professional development system, Early Intervention Technical Assistance, which provides statewide training and technical assistance at the direction of the Office of Child Development and Early Learning. The remainder of the required training funding is allocated to the local county programs to permit them to meet community needs directly.

Early intervention funding comes from multiple sources. The Commonwealth of Pennsylvania provides State funding to assure the availability of early intervention services and supports. Counties are required to contribute a 10 percent match on State funding in Early Intervention. The Infant Toddlers and Families Waiver, and Early Periodic Screening Diagnosis and Treatment programs are supported through Federal Medical Assistance funds. Federal funds allocated through the Individuals with Disabilities Act augments the Early Intervention program as well.

Counties receive quarterly payments based on the most recently approved allocation and reconciled at the end of the year and child counts for maintenance and coordination of early intervention services. Since July 1, 2010, Medicaid Waiver and other Medicaid eligible costs have been paid through direct provider billing through the Department's Provider Reimbursement and Operations Management Information System at established rates.