Maximizing Third Party Insurance Resources: Early Intervention and Third Party Payers in Massachusetts

A progressive partnership serving infants and toddlers with developmental concerns

Ron Benham, Massachusetts Department of Public Health

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Early Intervention & Third Party Payers in Massachusetts

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1. Definition

Early Intervention is a comprehensive, community-based program of integrated developmental services which uses a family centered approach to facilitate the developmental progress of children between the ages of birth and three years whose developmental patterns are atypical, or are at serious risk to become atypical through the influence of certain biological or environmental factors.

Definition, continued

Early Intervention services are focused on the family unit, recognizing the crucial influence of the child's daily environment on his or her growth and development. Therefore, Early Intervention staff attempt to work in partnership with those individuals present in the child's natural environment, which may include settings other than the child's home. The program seeks to support and encourage the caregiver's growth toward independence in planning for the child's continuing and changing needs.

2. Eligibility

- Children with a diagnosis known to result in developmental delay
- Children evaluated and found to have a developmental delay of 30% in one domain
- Children at risk of developmental delay

3. Overview of Current System

- All services are purchased through community agencies (35 agencies)
- Agencies bill private insurers and MassHealth (medicaid) directly
- Department of Public Health payor of last resort
- $115M projected for for direct services in FY’10; 33K + children projected to be served

Overview, cont.

- 59 Early Intervention providers
- Range of disciplines in each program
- Over reliance on Developmental Specialists due to market forces (supply and demand)

4. Passage of EI Legislation - 1983

- Required statewide service system
- Established Public Health as lead agency
- Required development of service standards
- Required Medicaid participation

Who Pays: Direct Service Only Projected Cost for FY'10

(Excludes Specialty Program for Children with Autism or Children who are Blind)

- State appropriation $ 22.0 M
- Third party 35.5 M
- Medicaid 49.3 M

5. Medicaid Participation – 1985

- **Reimbursement model changed from cost reimbursement to unit based**
- **Currently 6 reimbursable services & current hourly rates:**
  - **Home Visits $ 77.12**
  - **Center Individual 64.68**
  - **Community Based Group 29.60**
  - **EI Only Group 22.52**
  - **Parent Group 28.92**
  - **Assessment 99.00**
- **DPH serves as gatekeeper to Medicaid**

6. Mandated Insurance Coverage – 1990

- Bill introduced in 1986
- Legislation passed in January 1990
- Law took effect in April 1990
- Fully in effect April 1991
- “Medically Necessary” criteria
- Challenge of employers’ self insuring

7. What Works

- Vision, Commitment, Persistence
- Positive, cooperative working relationship with insurers and Medicaid
- Insurance/Health Plans with Early Intervention coordinators work best
- Insurers did not strongly oppose elimination of annual cap for FY-10
- Joint efforts related to billing/claims submission
- Ongoing identification of systemic problems, programs, payors – Insurance Coordinators Mtg.