

Indiana First Steps 2019 Annual Report

Presented by the **Interagency Coordinating Council
on Infants and Toddlers**

A Message from the ICC Chair, Jason Stein

Dear Governor Holcomb,
On behalf of the members of the Interagency Coordinating Council on Infants and Toddlers, I am pleased to submit the annual report of the ICC.

This past year's ICC, which is made up of twenty one volunteer members, met six times to discuss the most pressing challenges and opportunities for the First Steps program. The 2019 ICC has three committees: Professional Development, Advocacy and Financial, as well as an Executive Team. The committees meet six times per year during the ICC meeting and involve members of the public who attend the meetings. Involving the public in our discussions has allowed us to ensure the ICC is receiving and utilizing vital input from members of the early intervention community who often have first hand experience of the program and how changes that are being considered will impact the services provided. We are grateful to have a committed and passionate council and early intervention community.

As a result of the recommendations from the fiscal analysis directed and funded by HEA 1317, and with the help the 2019 state legislature, the Indiana First Steps Program received increased annual funding of \$6.6 million in the biennium budget. We would like to express our gratitude to all of those who were involved in advocating for this increase, including ICC members, INARF, ARC of Indiana, the early intervention community, the state legislature and the Governor's office for drafting, supporting and signing the budget which includes this much needed increase.

The system continues to see increases in referrals and in children serviced. We are grateful that First Steps continues to reach children in need but the cost to process and provide services will continue to apply pressure to Indiana's early intervention system. The increase to the budget is helpful and is a great "first step" toward a system that is able to process an increasing case load and attract and retain therapists to provide services. Based on the 2018 fiscal analysis, it was recommended to increase funding to \$21.9 million in order to insure our most vulnerable population is given a fair opportunity to grow and succeed.

I would like to reiterate my comments from last year regarding the state First Steps staff and FSSA supporting team. I very much appreciate and commend their commitment, passion, hard work and most importantly, willingness to consider the advice of the ICC and public when making important decisions. Specifically, I would like to express my gratitude to FSSA Secretary - Dr. Jennifer Sullivan, Director of the Department of Disability and Rehabilitative Services - Kylee Hope and Director of First Steps - Christina Commons.

I am honored to continue working with a team of intelligent, educated, passionate and caring individuals who dedicate their careers and, in many cases, volunteer their time to meeting the needs of the Hoosier early childhood population. This team made significant progress in 2019 and will without question continue that progress in 2020.

What is the ICC?

Indiana's Interagency Coordinating Council on Infants and Toddlers (ICC) is a Governor appointed body required by Part C of the Individuals with Disabilities Education Act (IDEA) and established under IC 12-12-7-2. The Division of Disability and Rehabilitative Services (DDRS), a division of the Family and Social Services Administration (FSSA), is designated as the lead agency. The ICC is charged with advising and assisting DDRS in its responsibility to develop an early intervention system of the highest quality, balancing family-centered services with fiscal responsibility. Comprised of members representing parents of children with special needs, state agency groups, early intervention service providers, legislators, and others, the ICC is committed to holding the vision of First Steps and to keeping abreast of issues, concerns, and trends which may affect the First Steps System.

What is First Steps?

Indiana's First Steps System is a family-centered, locally-based, coordinated system that provides early intervention services to infants and toddlers with disabilities or who are developmentally vulnerable. First Steps brings together professionals from education, health, and social service agencies to provide skilled therapeutic interventions that promote age appropriate development of infants and toddlers experiencing developmental delays.

First Steps Services

Assistive Technology
Audiological Services
Developmental Therapy
Nursing Services
Nutrition Services
Occupational Therapy

Physical Therapy
Psychological Services
Service Coordination
Speech Therapy
Social Work Services
Vision Services



A complete list of services that can be provided under Part C can be found at 34 CFR 303.13 (b)

State Fiscal Year Funding Summary

First Steps accesses a variety of funding sources. The ICC works to help DDRS Identify and coordinate all available resources from federal, state, local, and private sources, and use all applicable resources to the full extent possible.

The total amount spent for services in SFY19 was \$41,035,349.61. First Steps continues to explore ways to increase the amount of funding recouped from various sources, especially Medicaid. The state legislature authorized a \$6.6 million increase for First Steps for SFY20 that is not represented in these data.

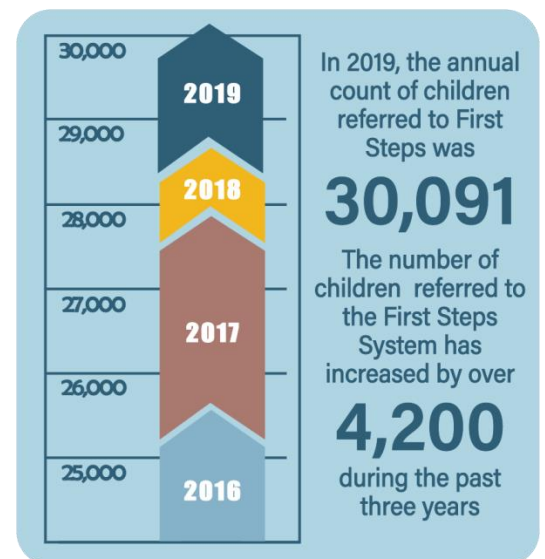
Funding Source	Percent of Total Funding
	SFY2019
Temporary Assistance for Needy Families (TANF)	23%
Medicaid	34%
Federal Part C	13%
State Part C	15%
Private Insurance	7%
Social Services Block Grant (SSBG)	6%
Family Cost Participation	2%

Increasing Service Levels

First Steps received 30,091 referrals during state fiscal year 2019. This is a 16.5 percent increase from 2016. The total number of children served in 2019 with an Individualized Family Service Plan (IFSP) was 22,964. The data indicate that not only are referrals increasing, but so is the proportion of children who are eligible for early intervention services.

	SFY2016	SFY2017	SFY2018	SFY2019	Increase from 2016 to 2019
Annual Referral Count	25,820	27,971	28,689	30,091	16.5%
Annual Count of Children Served (regardless of IFSP*)	23,612	24,838	26,363	26,527	12.4%
Annual Count of Children with IFSP	19,623	20,775	22,074	22,964	17%

*Annual, unduplicated count of children served regardless of IFSP. This includes eligible children who received an IFSP and early intervention services as well as children who were referred to First Steps and received evaluation and assessment services but were not eligible for early intervention services.



Legislative Summary - Representative Ed Clere, Indiana House District 72, ICC Member

The Interagency Coordinating Council and its members were instrumental in the passage of several important pieces of First Steps legislation this year. The 2019 legislative session demonstrated what can be accomplished when the ICC partners with key stakeholders, such as The Arc of Indiana and INARF, and actively engages in education and advocacy.

- House Enrolled Act (HEA) 1001, the biennial state budget bill, provided significant additional funding to First Steps, increasing the annual appropriation to \$18 million.
- HEA 1246 and HEA 1542 included identical language that designated how the additional appropriation would be distributed. Both bills included numerous other provisions unrelated to First Steps, and it was unclear which bill had the better chance of passing. As a result, the decision was made to attempt to include this critical language in both bills in hopes that at least one would pass; in the end, both bills became law. The language provided that no less than 50 percent of the new money must be used to fund rate increases for First Steps therapy providers – the first rate increase in almost two decades – and no less than 40 percent must be directed to System Point of Entry (SPOE) agencies, which evaluate children and coordinate services. The remaining portion – up to 10 percent – may be used for new software and other infrastructure improvements.
- HEA 1216 streamlined the application process for First Steps by allowing for presumptive eligibility. Families that qualify for Medicaid, SNAP or TANF are no longer required to go through a separate income eligibility determination process for First Steps. This increases efficiency and provides faster access to services. In addition, the legislation directed the Division of Disability and Rehabilitative Services to revise its policy for allowing make-up therapy sessions, based on recommendations from the ICC. The additional flexibility makes it possible for children to receive therapy they otherwise would have missed and, as a result, make more developmental progress.

In addition to helping achieve these legislative successes, which were strongly bipartisan, the advocacy work of ICC members served to educate policymakers about First Steps and the need to ensure that eligible Hoosier children receive the services they need to achieve maximum developmental growth during their first three years. The groundwork that was laid this year will be helpful in pursuing future legislative objectives.

Increased Funding Helps to Sustain the Burgeoning First Steps System

- **\$3.3 Million** for therapy provider rates to aid in recruitment of new therapists and retention of current therapists
- **\$2.6 Million** for System Point of Entry (SPOE) contracts allowing for increased Service Coordinator (SC) compensation and new SC positions to decrease caseloads
- **\$660 Thousand** for state infrastructure improvements to modernize the early intervention data system





Hoosier Families Are Thankful For First Steps

"(First Steps) has truly been a blessing for my son, making his life easier which impacts our entire family. He has shown so much growth!"

"Five years after therapy, I want to thank your organization for the work you do. The training, the long hours, the hard work your employees do makes such a difference. You have impacted my life in an important way, and I'll forever be grateful for your care and expertise!"

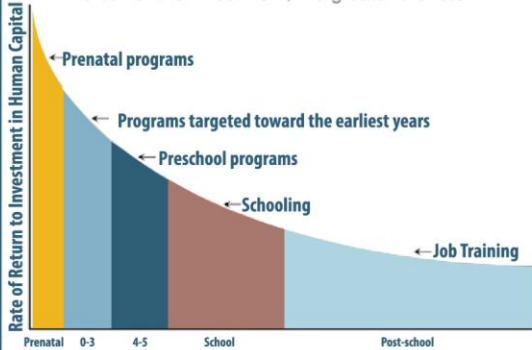
"My grandson can now let go of his toys and trusts he'll get them back. He can say goodbye to people with a smile and wave, no crying and screaming for them to stay. He can take turns and share, well...most of the time anyway. He's a bright, opinionated, joyful, 3 year old chatterbox!! I am so grateful to the First Steps program and our amazing guide Missy. I don't know where we would be without this invaluable resource. We are forever grateful."

The Economics of Human Potential

James Heckman, Nobel Prize winning economist and The Henry Schultz Distinguished Service Professor in Economics

Early Childhood Development is a SMART INVESTMENT

The earlier the investment, the greater the return



Source: James Heckman, Nobel Laureate in Economics

4 BIG Benefits

Quality early learning and development programs for disadvantaged children can:



Foster Valuable Skills



Strengthen Our Workforce

Grow Our Economy

Reduce Social Spending



"The science is clear – children's brains grow faster between birth and age 3 than at any later point in life, forming more than one million new neural connections every second. When babies have nurturing relationships with caregivers, high quality early learning experiences, and good physical health and nutrition, these neural connections are stimulated and strengthened, laying a strong foundation for school readiness and success in school and beyond." - Zero to Three

References

Heckman, J (nd). Research Summary: The Lifecycle Benefits of an Influential Early Childhood Program. Retrieved from <https://www.heckmanequation.org/resource/research-summary-lifecycle-benefits-influential-early-childhood-program/>
 Zero to Three. (September 4, 2018). It's Time for Governors to Think Babies™. Retrieved from <https://www.zerotothree.org/resources/2415-it-s-time-for-governors-to-think-babies>