



NEW YORK STATE SENATOR

Elijah Reichlin-Melnick

## Governor Hochul Signs Into Law Senator Elijah Reichlin-Melnick's & Assemblymember Amy Paulin's Early Intervention Services Legislation

ELIJAH REICHLIN-MELNICK December 30, 2021

**ALBANY, NY** – Governor Hochul signed into law today legislation S.5560A/A.5339 of Senator Elijah Reichlin-Melnick and Assemblywoman Amy Paulin, which will provide critical improvements to Early Intervention children's services and save New York taxpayers millions. The new law streamlines the system for distributing reimbursement funds to early intervention providers, allowing for early intervention services to be more readily available to children.

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*Senator Elijah Reichlin-Melnick said, "Early intervention services provide life-changing help to children under three years old, but far too often parents face lengthy delays in getting these critical services for their kids. These delays are caused by the current dysfunctional system of paying providers, and we have a responsibility to solve it. Our bill will save counties around the state \$28 million while creating a reliable fund for early intervention service providers, funded by the health insurance industry. This is a critical step in ensuring that children receive the care that they need as soon as possible."*

"Early Intervention Programs have been shown to significantly improve the lives and future prognosis of babies and toddlers with developmental delays," said **Assemblymember Amy**

**Paulin.** “This legislation is a massive step forward in reforming and strengthening the state’s Early Intervention program so that more children can get the help they need, when they need it. It will ensure that commercial health insurers contribute their fair share to the Early Intervention program. It will assure good stewardship of state and local tax dollars. Most importantly, it will allow Early Intervention providers to focus on the critical services they provide to children and families.”

The new law increases funding for Early Intervention services and streamlines the reimbursement process to providers. The current system has caused extensive delays in reimbursements to providers, leading many Early Intervention service providers to shut their doors and causing a lack of available providers throughout the state.

Before this new law, when an Early Intervention provider rendered services, they must bill the insurance company first. In recent years, private insurers have only paid approximately \$12 million out of \$80 million in Early Intervention claims, rejecting approximately 85% of claims.

In New York State, Early Intervention services are guaranteed for children under the age of three by state law, so any claims unpaid by insurance companies are ultimately paid by New York State and local counties which split the cost.

This process can take weeks, months, or even years to sort out, and often means that providers do not receive reimbursement in a timely manner. This also results in counties and municipalities paying for millions of dollars in services that are ultimately paid for by the local taxpayer.

This new law has Early Intervention services put into the category of “Covered Lives” – which is an existing mechanism under State law which requires health Insurance companies

to direct money into a fund for specific health care programs. This law creates a \$40 million Covered Lives fund specifically for Early Intervention services, and alters the way that providers are reimbursed. Instead of sending claims to insurance companies, bills for Early Intervention Services would be sent directly to the State for payment out of this fund. This not only makes it easier and quicker for providers to get reimbursed, it also shifts the costs of Early Intervention services to health insurance companies, saving counties, New York State and taxpayers millions.

“Effective early intervention is crucial to the future of infants and toddlers with special needs. Every day of delay endangers their progress,” said **Assemblymember Tom Abinanti**. “This law is a remedy to the failed funding structure which is hampering the timely delivery of early intervention services.”

“Early Intervention fundamentally changes the trajectory of a child’s life for the better,” said **Westchester County Executive George Latimer**. “Thanks to Assemblywoman Paulin and Senator Reichlin-Melnick’s leadership, this law will provide additional funding for these life-changing services. When we know a program works, it should be a no-brainer to increase its capacity – our children’s lives are too important.”

“This important legislation will ensure that commercial health insurers contribute their fair share to support the Early Intervention (EI) program and remove financial barriers for providers to allow them to continue to serve this most vulnerable population. The legislation also assures good stewardship of state and local tax dollars and most importantly, allows EI professionals to focus more on the vital services they provide to children and families with special needs to achieve the best health outcomes possible,” said **Dr. Patricia Ruppert, Board Member of the New York State Association of County Health Officials and Commissioner of Health, Rockland County**.

“Early Intervention services are vital to helping children with special needs reach their fullest potential,” said **NYSAC Executive Director Stephen J. Acquario**. “This legislation will strengthen the Early Intervention health program for newborn babies and toddlers, decrease wait times for services, and enable service providers to focus on caring for children and improving their healthcare. Counties commend Assemblymembers Paulin and Gottfried, and Senator Reichlin-Melnick for their leadership on this issue.”

“This legislation will make it easier for providers and families to focus on their partnership to improve the health outcomes of children with special needs,” said **Westchester County Commissioner of Health Dr. Sherlita Amler**. “As an advocate for children and a pediatrician by training, on behalf of Westchester families, I would like to thank Assemblymember Paulin and Senator Reichlin-Melnick and our community partners for their commitment to this issue.”

“We are grateful to Assemblymember Amy Paulin for being a long-standing champion for children with developmental delays and their families – Early Intervention is the most important service we can provide to children,” said **Winifred Schiff, Associate Executive Director for Legislative Affairs InterAgency Council of Developmental Disabilities Agencies, Inc.** “It changes lives for the better and reduces the need for future services, therefore resulting in savings over a person’s lifespan. Finally, we will properly fund the program and provide more infants and toddlers with these essential services!”

“By requiring commercial insurers to pay their fair share of Early Intervention services, a Covered Lives assessment will now bring badly needed revenue into New York’s Early Intervention system – benefiting the children who continue to struggle in accessing critical services they urgently need and are legally entitled to,” said **Melissa Genadri, Poverty & Health Policy Associate with the Children’s Defense Fund – New York**. “The Children’s Defense Fund – New York applauds the legislature for doing the right thing for infants and toddlers with

developmental delays and disabilities, thanks Assemblymember Paulin and Senator Reichlin-Melnick for sponsoring this important legislation and thanks Governor Hochul for signing A5339/S5560A into law.”

“Covered lives is a practical approach to ensure that Early Intervention agencies and their therapists continue to focus on therapeutic services and that Insurance Companies are held accountable to pay their fair share of the costs of these services. Covered lives will save the State and Counties millions of dollars by no longer subsidizing the commercial insurance industry for denied services. For these reasons, I am delighted that Governor Hochul has signed this covered lives bill into law,” said **John Calderon, President, Theracare of New York.**

"Westchester Children's Association applauds State Assemblymember Amy Paulin and State Senator Elijah Reichlin-Melnick for successfully passing critical Early Intervention legislation (A5339/S5560A) and applauds Governor Hochul for signing it into law," said **Josh Prywes, Program and Policy Manager, Westchester Children's Association.** "As a proud member of the Kids Can't Wait Leaders Council, a coalition dedicated to strengthening availability and access to Early Intervention services, WCA knows this law will build crucial statewide capacity for young children with developmental and special needs. It provides a vital and viable mechanism to prevent delays in Early Intervention services, which is especially important to our County, which ranked number 56 out of counties in the timely delivery of Early Intervention services across New York State in 2018. We know that this legislation will jump start wellness for young children, reduce long-term developmental challenges and statewide costs, and center children and their families on a path for success."

“Early Intervention (EI) provides critical assistance for young children with developmental delays and disabilities at the time intervention can have the greatest impact. Following years of commercial health insurance companies denying the vast majority of EI claims, we thank Assemblymember Paulin and Senator Reichlin-Melnick for their leadership in passing

A.5339/S.5560A to assess a fee on health insurance companies to help cover the cost of this important and cost-effective program. We thank Governor Hochul for signing the bill into law and strengthening the EI program so that young children don't have to wait for needed assistance," said **Randi Levine, Policy Director, Advocates for Children of New York.**

"Governor Hochul has now made a dramatic difference in the lives of babies and toddlers with disabilities by signing this historic Covered Lives legislation. This is a game changer allowing agencies like ours and therapists to now spend their time treating children instead of billing insurance," said **Edita Diaz, President, Los Ninos.**

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#### RELATED LEGISLATION

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## 2021-S5560A

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- Introduced
- - In Committee Assembly
  - In Committee Senate
- - On Floor Calendar Assembly
  - On Floor Calendar Senate
- - Passed Assembly
  - Passed Senate

- Delivered to Governor
- Signed By Governor
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Provides for funding of early intervention services; repealer

March 11, 2021

Signed by Governor

Sponsored by [Elijah Reichlin-Melnick](#)

Do you support this bill?