

# Michigan *Early On*® Early Intervention System



*SOLUTIONS Consulting Group, LLC*  
**Michigan State Interagency  
Coordinating Council**  
*Friday, November 18, 2006*

# Fiscal Study Status

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- All of the investigatory work is complete
- Report Status (D=Drafted; R=Reviewed)
  - Section 1: Introduction (D,R)
  - Section 2: Salary Survey Information (D,R)
  - Section 3: Service Information (D)
  - Section 4: Time Survey Section
  - Section 5: Revenue Information
  - Section 6: Cost Information
  - Section 7: Conclusions



# **Michigan Early On Study Questions and Responses**

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**Developed by the Fiscal Task  
Force**

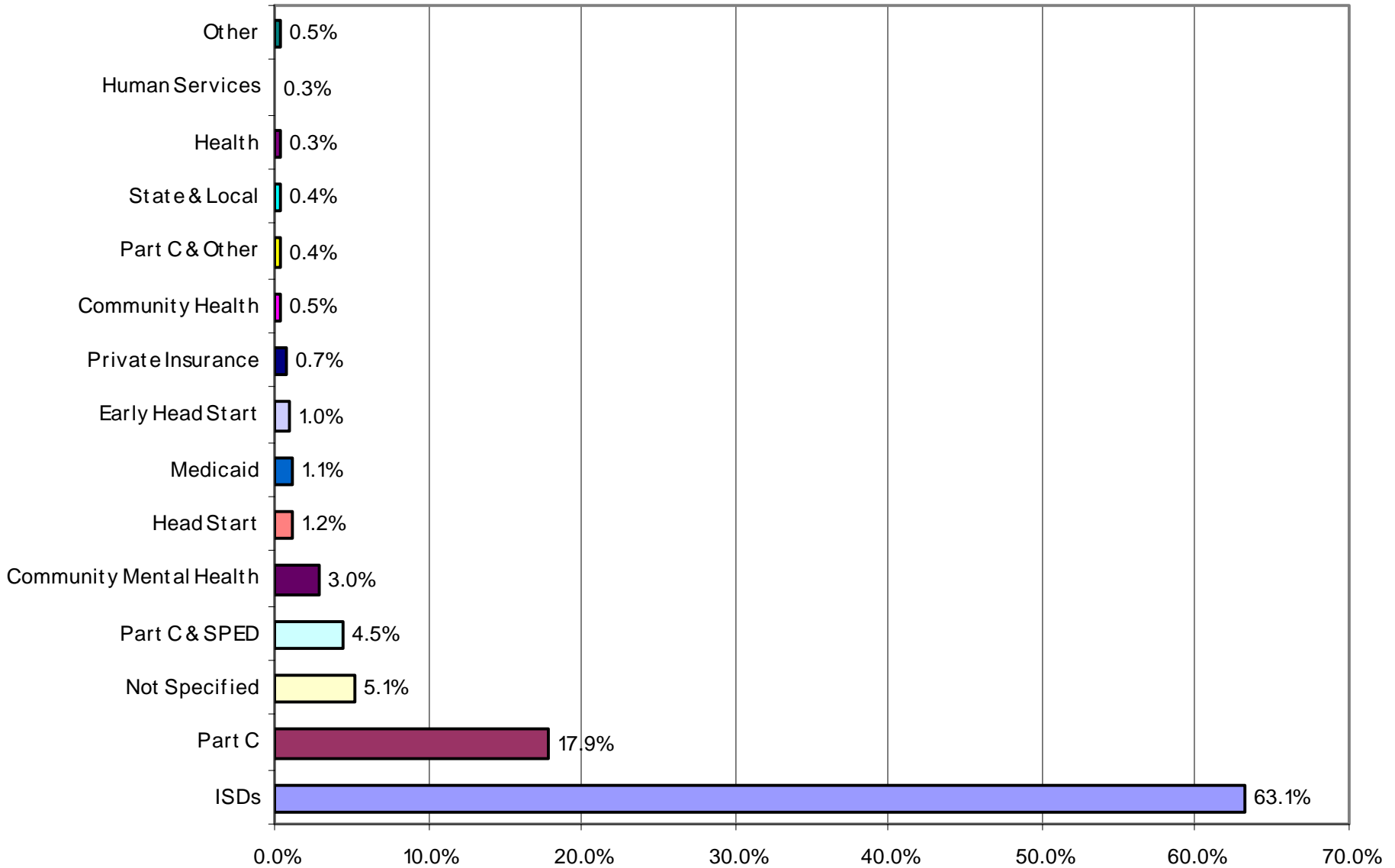
**August 22, 2005**

# Question # 1

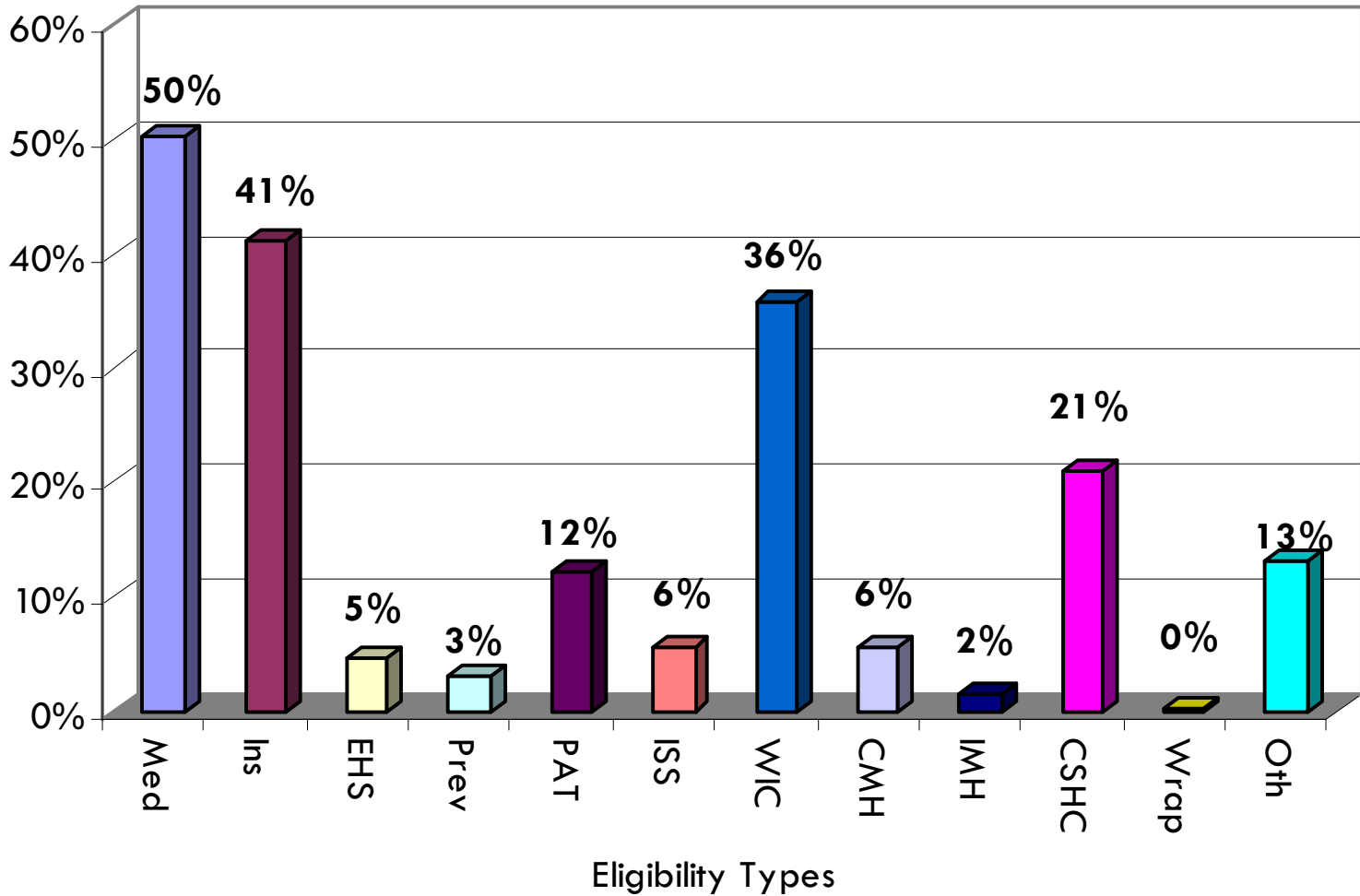
- What is the total *Early On* system revenue?
    - Approximately \$55,000,000
    - \$34,716,414
    - \$9,831,155
    - \$2,827,595
    - \$2,501,455
    - \$1,650,343
    - \$634,674
    - \$588,012
    - \$566,710
    - \$411,788
    - \$249,861
    - \$220,812
    - \$204,081
    - \$185,088
    - \$145,414
    - \$266,597
- ISDs
  - Part C
  - Not Specified
  - Part C & SPED
  - Community Mental Health
  - Head Start
  - Medicaid
  - Early Head Start
  - Private Insurance
  - Community Health
  - Part C & Other
  - State & Local
  - Health
  - Human Services
  - Other



# IFSP/IEP Payor by Identified Source - FY 2006



**State of Michigan *Early On*  
Fiscal Study Findings  
Utilization Study - Child Questionnaire-Other Eligibilities**



## Not Specifically Part C Services

### Medicaid Data Extract for 155 *Early On* Children

Charged Amount	Service
\$37,210.40	Speech-Language Pathology
\$35,245.49	Therapeutic activities
\$31,671.90	Audiology
\$14,294.56	Physical Therapy
\$7,110.20	Occupational Therapy
\$6,101.28	Targeted case management
\$2,394.28	Developmental
\$885.00	Nutrition
\$810.74	Mental Health
\$645.20	Vision
\$362.71	Nursing
\$207.80	Psychological
\$202.92	Teaming
\$102.90	Group Therapeutic Activity
\$137,245.38	Total

***Preliminary: Medicaid Data Subject to Verification***

# Question # 2

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- What is total *Early On* system cost?
  - Approximately \$55,000,000



# Question # 3

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- What are the Regional differences for all Study findings?
  - Limited regional differences
  - More likely to receive more services in the Upper Peninsula
  - Within regions there are differences between the ISDs



# Question # 4

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- How many children are being served and what is the annual average cost per child, delineate Part C only and Part C/Special Education?
  - 12/1/2005 8,554 (Point in Time)
  - 6/30/2006 8,779 (Point in Time)
  - Early On Eligibility as:
    - Part C Only = \$3,870
    - Special Education = \$8,440



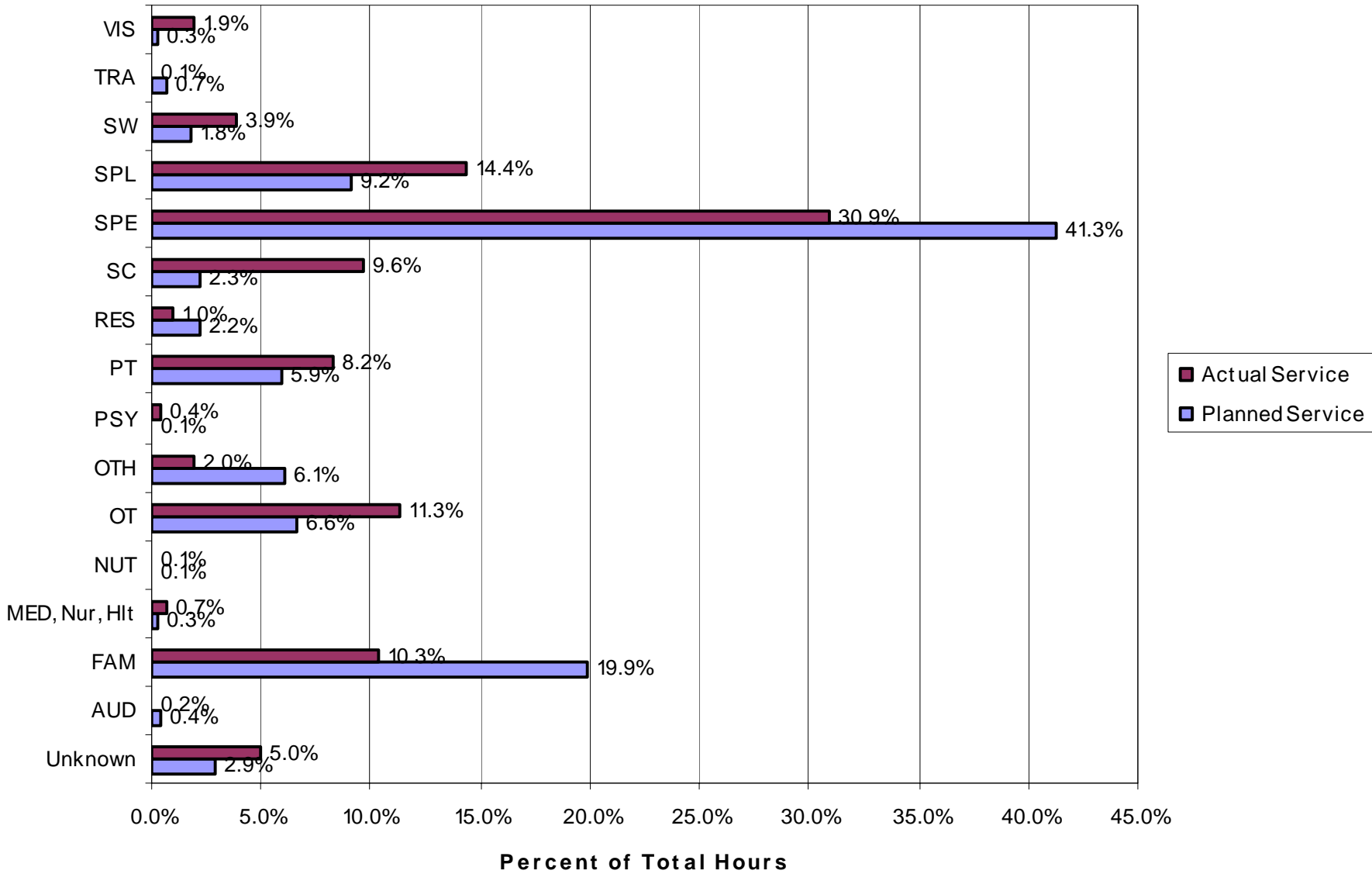
# Question # 5

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- What services are provided, by whom and the frequency/amount?



## Chart 2: Service Summary-Planned and Actual Services by Type



Period Specified on the IFSP/IEP

Period	IFSP/IEP Service Lines	% of Total
Unknown	49	2.9%
One time event	1	0.1%
Weekly	500	29.2%
Monthly	696	40.7%
Every Other Month	3	0.2%
Quarterly	5	0.3%
Twice a Year	15	0.9%
Once a Year	435	25.4%
Other	6	0.4%

# IFSP/IEP Intensity

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- The most common intensity is
  - 60 minutes which occurs for 55.6% of all service lines reported ( $907/1620=55.6\%$ ).
- The next three most common are :
  - 90 minutes for 9%
  - 30 minutes at 8%
  - 45 minutes at 7%



# Question #'s 6 & 7

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- What are the average direct service and admin/support costs?
- What is the ratio of direct services to indirect (admin/support) costs?
  - Average Hourly Personnel cost
  - Direct Service – \$4,788 75%
  - Admin & Support – \$1,596 25%



# Question # 8

- What is the current formula that is used for distribution of federal/state Part C funds?
  - **\$2.85 million**
    - \$50,000 for each of 57 ISDs
  - **\$1.2 million (approximate)**
    - \$100 for each 2.2% of the 0 to 3 population
  - **\$7 million (approximate)**
    - Distributed evenly based on the average of the June and December period count.



# Question # 9

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- How is our Part C federal allocation being used across service areas? What does it purchase?
  - State Infrastructure including mandated activity at \$2.6 million
  - *Early On* Coordinators at the local level
  - Services to Children and Families primarily for children meeting the Part C only eligibility
    - Paying a portion of the 19.9 million dollars of cost



# Question # 10

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- How many children are receiving services or service coordination paid out of Part C federal allocation and also receiving same/similar service paid by a different funding source?



# Question # 11

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- Can we incorporate/analyze levels of risk and/or levels of need in this study?
  - All samples sizes were selected to reach a 95% confidence level
  - Overall the risk is that the costs are understated
  - Most vulnerable areas
    - Relationship of admin & support to direct service
    - Average hours per child



# Question # 12

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- How do the cost results break out by racial/ethnic group – and how does that comparatively profile with state and local demographics?
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## Race/Ethnicity Comparison Population to Selected Sample

Race/Ethnicity Type	Count of Children by Category for the 6/30/2006 data file	Percent of Total	Count of Children by Category for the children selected for the study *1	Percent of Total	Table C-6. Estimated resident population ages birth through 2, by race/ethnicity: 2005	Percent of Total
Asian	152	1.7%	8	1.2%	11,242	2.9%
Black	1,299	14.8%	71	10.9%	67,635	17.4%
Hispanic	483	5.5%	43	6.6%	23,893	6.2%
Native American	73	0.8%	13	2.0%	1,294	0.3%
Unknown	112	1.3%	3	0.5%	-	0.0%
White	6,660	75.9%	511	78.7%	283,940	73.2%
<b>Total</b>	<b>8,779</b>	<b>100.0%</b>	<b>649</b>	<b>100.0%</b>	<b>388,004</b>	<b>100.0%</b>

*Note 1: 110 (759- 649) children could not be matched to either the 12/2005 or the 6/2006 data file.*

### Encounter Service Actual -Average Services by Race

Region	Children	Minutes	Hours per Child per Month	Hours	% of Total
Not Specified	59	11,414	3.2	190	8.6%
Asian	7	1,387	3.3	23	1.0%
Black	46	5,796	2.1	97	4.4%
Hispanic	26	7,431	4.8	124	5.6%
Native American	9	3,280	6.1	55	2.5%
Unknown	3	2,135	11.9	36	1.6%
White	379	100,701	4.4	1678	76.2%
Statewide	529	132,144	4.16	2,203	100%

# Question # 13

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- Must preserve Maintenance Effort (MOE) eligible dollars for a Temporary Assistance for Needy Families (TANF) and Childcare Development Funds (CCDF)
  - Neither funding source registers as a direct contributor to the system.



# Question # 14

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- How do numbers of families/children connect to funding amounts?
  - Most directly through the IFSP process
  - Through service coordination



# Question # 15

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- What is the cost per child?
  - About \$6,500 including all direct service, support and administrative cost at both the State and local levels



# Question # 16

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- How does an open ended service system (# of visits per child) work within a finite grant system?
  - The finite dollars are paying for only a small fraction of the system
  - Other funding partners are extremely important



# Question # 17

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- How much Part C money goes to various state level departments – i.e. the top of the pyramid?



State Level Costs Fiscal Year 2006-2007

1	Qualitative Compliance Information	\$363,450		13.1%
2	Public Awareness, information & referral	\$253,057		9.1%
3	Parent Support	\$98,500		3.5%
4	Comprehensive System of Personnel Development (CSPD)	\$1,125,043		40.4%
5	Data Collection (Note 1)	\$175,000		6.3%
Statewide Mandated Activities			\$2,015,050	
6	Department of Community Health	\$184,884		6.6%
7	Department of Human Services	\$98,500		3.5%
8	Inter Tribal Council	\$29,500		1.1%
Collaborating Contracts				\$312,884
9	Administration and the SICC	\$456,683		16.4%
Admin & the SICC				\$456,683
Total State Level Costs			\$2,784,617	100.0%

*Note 1: data collection is an in-kind contribution having a value of approximately \$175,000.*

# Question # 18

- What is the average # of service hours per month for Part C only eligible children vs. Part C/Special Education eligible children?

Part C Eligibility Designation	Average Monthly Service Hours	
	Planned	Actual
Meets Part C Only Criteria	2.9	2.4
Meets Special Education Eligibility Criteria	9.6	5.5



# Thank you!

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