

H. CARL McCALL  
STATE COMPTROLLER



A.E. SMITH STATE OFFICE BUILDING  
ALBANY, NEW YORK 12236

STATE OF NEW YORK  
OFFICE OF THE STATE  
COMPTROLLER

June 17, 1999

Mr. Dennis Whalen  
Executive Deputy Commissioner  
Department of Health  
Tower Building, Room 1408  
Empire State Plaza  
Albany, New York 12237

Re: Report 99-F-8

Dear Mr. Whalen:

Pursuant to the State Comptroller's authority as set forth in Article V, Section 1 of the State Constitution and Article II, Section 8 of the State Finance Law, we have reviewed the actions taken by officials of the Department of Health (Department) as of May 25, 1999, to implement the recommendation contained in our report, *Early Intervention Program Evaluation of Program Results* (Report 96-S-16). Our report, which was issued on September 18, 1997, determined whether the Department had established the systems necessary to measure progress toward the Early Intervention Program goals that were set by the Legislature.

**Background**

The Early Intervention Program (EIP) is part of a Federal initiative to develop a statewide, family-centered system of early intervention services for infants and toddlers up to three years of age, who have a developmental delay or a diagnosed physical or mental condition with a high probability of it resulting in a developmental delay. The Department of Health (Department) was designated as the lead agency for the EIP in 1987; however, the section of the Public Health Law that established EIP as a full-entitlement program was not passed until 1992. The Department took over day-to-day administration of the program on July 1, 1993. Previously, the Family Court Act had empowered family courts to approve special services for infants and toddlers whom the courts determined were in need of such services, and the State Education Department (SED) was responsible for managing these services at the State level. Between 1987 and 1992, the Department was involved in the planning phase of the program.

The EIP provides for screening and tracking of children at risk for developmental delays, a free evaluation to determine a child's eligibility for services, and development of an Individualized Family Service Plan for each eligible child. Children in this program receive a variety of therapeutic and supportive services through one of five service models: home-community-based visits, facility-based visits, parent-child groups, family support groups, and group-developmental services. Services are delivered by about 2,400 approved providers, including preschool programs, hospitals, Article 28 diagnostic and treatment centers, Article 16 and Article 31 clinics, certified home-health agencies, licensed home-health agencies, municipalities, and individual practitioners.

Because the EIP is an entitlement program, its cost is not capped. The Department is obligated to pay for the services for all eligible children who participate in the program. The actual number of children served and the services they receive can vary significantly from year to year. Department officials reported that 39,651 children were enrolled in the program and received services during the 12 month period ended June 30, 1998.

### **Summary Conclusions**

In our prior audit, we found that the Department had not established a performance measurement system to show how the EIP impacts the children it serves, or how it meets its other program goals. We acknowledged the difficulty in measuring the results of a complex human services program; however, we concluded that the increasing demands for program accountability made it essential for the Department to measure and report such information.

In our follow-up review, we found that the Department has made progress in implementing the one recommendation contained in our prior audit report to establish a performance measurement system. However, there are several aspects that are critical to a successful performance measuring system for the EIP program that have not yet been implemented.

### **Summary of Status of Prior Audit Recommendation**

Department officials have partially implemented the one recommendation contained in the prior audit report.

### **Follow-up Observations**

#### **Recommendation**

*Establish and implement a comprehensive plan to evaluate the accomplishments of the program. The plan should include, at a minimum:*

- *measurable objectives and performance standards for each goal;*

- *steps to begin monitoring performance on appropriate goals in the short term; and*
- *tasks and expected time lines to measure the outcomes for children, and the cost benefit of the program.*

Status - Partially Implemented

Agency Action - Department officials have taken steps to develop the systems necessary to measure program results. Department officials, in conjunction with the Governor appointed Early Intervention Coordinating Council, have developed a mission statement for the program which includes legislative and programmatic goals. Department officials have also begun work on a program evaluation plan, which includes the development of performance indicators and standards necessary to assess actual performance against the program's stated mission and goals. However, the program evaluation plan has not been finalized. A draft version of the plan has been developed and Department officials are devoting their efforts to update the plan to conform with U.S. Department of Education standards.

Department officials have taken steps to improve program monitoring of early intervention service providers and municipal agencies which have responsibility for local administration of the program. The Department retained the services of a major public accounting firm, which has previous experience with early intervention programs in other states. The firm was used to evaluate the Department's internal accounting controls and external review procedures. The deliverables to be produced under this contract are complete and the Department is using this information to improve its fiscal reviews and audits of municipalities and providers of early intervention services. One step taken by Department officials was a revision of the Early Intervention Program Review Tool (EI PERT) to include outcome measures and performance indicators. The EI PERT is used for on-site program reviews and Department officials provided us evidence which shows that they are using the revised EI PERT in their program review process. In addition to the on-site reviews, the Department gathers information from providers through the Agency Provider Assessment Questionnaire (APAQ) process. The APAQ process is designed to collect and provide for the analysis of data to evaluate provider performance in the delivery of services.

However, the Department is having difficulty completing its monitoring efforts in a timely fashion. As of February 1999, the Department completed 34 of the required annual municipality site visits, but failed to complete the required visit for eight other municipalities. Department officials stated that this was due to the lack of sufficient staff to complete the reviews within the prescribed time frames. Department officials stated that they have taken steps to address this deficiency by assigning additional staff to the Western region, which is an area where they have had difficulty completing the required monitoring visits.

With respect to measuring the benefits and outcomes of the program, New York State is participating in the National Early Intervention Longitudinal Study (NEILS), which is a five year study funded by the U.S. Department of Education. NEILS will provide descriptive and explanatory information about the national Early Intervention Program for infants and toddlers with disabilities. The study includes a nationally representative sample of 3,300 children and families from twenty states who provide early intervention services. For this study, the U.S. Department of Education is evaluating the program's success in the transition from a child's identification for early intervention services into the special programs administered by SED. Although the data collected in New York through NEILS will not be of sufficient size to draw specific conclusions about New York's Early Intervention Program, NEILS will provide important outcome data on the benefits of early intervention for children under three years of age with disabilities and their families.

Department officials are also working on the development of eligibility and clinical practice guidelines. These guidelines are a tool to help assure that infants and young children with disabilities receive early intervention services consistent with their individual needs. The guidelines are intended to help families, service providers and public officials by offering recommendations based on scientific evidence. Further, the guidelines provide expert clinical opinion on effective practice for several program objectives, including early identification of children at risk, determination of effective intervention strategies and measurement of outcomes achieved. The Department, with the assistance of an independent contractor, plans to develop five separate modules for implementation into the Early Intervention Program. To date, three of the five modules have been completed.

Contributors to this report were Lee Eggleston, Ed Durocher and Ken Cox.

We would appreciate your response to this report within 30 days, indicating any additional actions planned or taken to resolve any unresolved matters discussed in this report. We also thank the management and staff of the Department of Health for the courtesies and cooperation extended to our staff during this review.

Very truly yours,

Kevin M. McClune  
Audit Director

cc: Mr. Charles Conaway