



State of Indiana
Family and Social Services Administration
Division of Disability and Rehabilitative Services
First Steps
Program Growth and Workforce Needs Report

October 2018

FIRST STEPS PROGRAM GROWTH, SERVICE GAPS, AND ANTICIPATED WORKFORCE NEED

First Steps is Indiana's early intervention program under Part C of the Individuals with Disabilities Education Act (IDEA). First Steps serves young children, birth to age 3, with developmental delays or disabilities and their families. In the first three years of a child's life, more than one million new neural connections form every second. These early years are a time of great opportunity and great vulnerability, as early experiences literally shape the brain's architecture to support either a strong or fragile foundation for all future learning, health, and success. The purpose of First Steps and early intervention is to promote young children's lifelong success by supporting the optimal development of infants and toddlers and enhancing the capacity of families to meet the needs of their young children.

First Steps is a program of the Division of Disability and Rehabilitative Services (DDRS) in the Indiana Family and Social Services Administration (FSSA). The program provides services primarily in a child's home or other natural environments. Services such as assistive technology; developmental therapy; family training, counseling, and home visits; nutrition services; occupational therapy; physical therapy; service coordination (i.e., case management); social work services; speech therapy; psychological services; and vision services—are examples of some of the 17 services required at a minimum by Part C regulations. As a federal entitlement program, First Steps serves families at all income levels; however, more than half of the families served fall below 250 percent of poverty.

As an entitlement program, First Steps does not have a wait list for services. Referral rates continue to rise with no signs of abatement and while this has allowed children in need to receive vital services, it has also created service delivery and fiscal challenges. First Steps received 27,952 referrals in 2017—an 8 percent increase from the previous year and a 23 percent increase since 2012. The total number of children served in 2017 with an individualized family service plan, or IFSP, was 20,775. The growth of First Steps is illustrated not only in rising referral rates, but also in the rising proportion of children who are eligible for services. This includes children who have been exposed pre- or postnatally to drugs, alcohol, or other toxic substances and are eligible for First Steps on the diagnosis of exposure alone.

During Indiana's 2018 legislative session, House Bill 1317 was introduced with a requirement that FSSA/DDRS conduct a study of First Steps service provider and system point of entry (SPOE) reimbursement rates. In total, HEA 1317¹ required:

- A comprehensive rate and time study for First Steps providers and System Point of Entry (SPOE) personnel,
- A comprehensive analysis of First Steps revenue sources and fund recovery systems,
- The identification of new or improved ways to leverage available funding for early intervention services,
- Consultation with other state agencies on the projected number of children who will need early intervention services as a result of drug exposure, and
- The identification of service gaps statewide and the number of early intervention professionals needed to provide First Steps services over the next five (5) years.

¹ <http://iga.in.gov/static-documents/4/2/2/4/4224a870/HB1317.06.ENRS.pdf>

This report is one of three reports compiled in response to the requirements of HEA 1317. The first report, on revenue source and fund recovery recommendations, examines ways in which DDRS can improve utilization of available funding sources for early intervention services. The second report, on the First Steps rate and time study, provides the results of the study and recommendations for DDRS around reimbursement rates. This report addresses projected program growth, First Steps service gaps, and anticipated personnel needs moving forward.² FSSA hired Public Consulting Group, Inc. (PCG) to complete the rate study and revenue source analysis. The report on program growth and service gaps was compiled independently by FSSA/DDRS.

House Enrolled Act 1317 requires the Division of Disability and Rehabilitative Services (DDRS) to report the following:

- The projected number of children who will need services as a result of exposure to addictive substances,
- Early intervention service gaps in Indiana, and
- The number of professionals needed to provide early intervention services over the next five years.

DDRS worked with the Indiana State Department of Health and FSSA's Division of Mental Health and Addiction through the Indiana Perinatal Quality Improvement Collaborative (IPQIC) and its Perinatal Substance Use (PSU) task force to identify the number of drug-exposed births that will result in an increased need for First Steps services. Preliminary data from the PSU task force indicates that 7 percent of umbilical cords tested at participating hospitals are showing positive for exposure to toxic substances. This means that out of the approximately 83,000 live births in 2017, about 5,800 children were born with prenatal exposure to drugs or alcohol. Any child with a diagnosis of pre- or postnatal exposure to toxic substances is eligible for First Steps services. 5,800 additional children would increase the number of children served by First Steps by 28 percent.

Based on this data from the PSU task force and data obtained through PCG's First Steps rate and time study, as well as self-reported service gap data obtained by DDRS via survey in July 2018, DDRS was able to identify key early intervention service gaps in Indiana and information about future personnel needs to address these gaps. Twenty-two (22) provider agencies and all SPOEs responded to a DDRS survey in July regarding caseload sizes, service gaps, and staffing needs. 70 counties were identified through the survey as having a need for service coordination, evaluation and assessment, or early intervention services in general. Of these 70 counties, 5 counties were identified as needing personnel in all three of the categories, and 21 counties were identified as needing personnel in at least two of the categories. Around half of the agencies who responded to the survey said there is a need for dietitians, interpreters, psychologists, and social workers. Based on an analysis of active, enrolled First Steps providers, there are only 21 interpreters, 1 licensed clinical social worker, 8 psychologists, and 9 registered dietitians providing First Steps services. Prenatal exposure to alcohol, tobacco, and illicit drugs such as opioids can cause a wide range of physical, emotional, and developmental problems for young children. It is essential for First Steps to have the personnel necessary to respond to a wide range of needs as the demographics of those served by the program evolve over time.

² All three reports can be found on the First Steps website at <https://www.in.gov/fssa/ddrs/4655.htm>.

Caseload data was also analyzed in response to the requirements of HEA 1317. Currently, service coordinators in Indiana have an average caseload size of 73 families, but SPOEs report that any caseload over 50 can jeopardize a coordinator's ability to effectively individualize services for each family. An analysis of the personnel rosters submitted to PCG indicates that there are 255 personnel currently employed statewide to provide intake and service coordination. SPOEs reported that based on adjusted caseload size and the anticipated increase in drug-exposed births, an additional 145 professionals will be needed to provide intake and service coordination services. Additionally, SPOEs reported a need for at least 51 additional professionals to provide evaluation and assessment services for eligibility determination and IFSP development and review. As noted earlier in this report, service coordination and evaluation and assessment are entitlement services that must be provided at no cost to every family who is referred to First Steps.