

Background Information
CDSA Positions
Provided to DHHS for Fiscal Research Staff

SUMMARY: This document is written to explain the current position request for CDSA service and administrative positions before the January 20, 2004 Joint Commission on Governmental Operations, which is the completion of the Early Intervention Plan previously approved by the General Assembly. Said Plan called for the transition of EI services from area MH/DD/SAS authorities to the Childrens Developmental Services Agencies (CDSAs) in the DHHS Division of Public Health. By facsimile I have forwarded a summary of relevant legislation that verifies prior presentation to and approval by the General Assembly.

Not only has this Plan been discussed with and reported on to the General Assembly as required, in May, 2003, Gov Ops approved Phas I, 43 receipt supported positions to convert the Durham and Rocky Mount DEC's to the new CDSA agency status, as two area programs quit providing services July 1m 2003,. By facsimile, I have also sent you a copy of the approval memorandum sent by the Co-Chairs of Gov Ops to Mr. McCoy on May 20, 2003 and the approved list we received with that memorandum.

Relative to the positions in the January, 2004 request, the following information may be helpful.

1. All positions are fully supported by federal receipts, either the federal early intervention allocation which formerly went to the Area MH/DD/SAS Programs or receipts earned from billing for services provided, the major payer of such costs being Medicaid payments for Medicaid eligible clients. The direct service positions which are to be effective July 1, 2004, Habilitation Specialist IIIs, are funded primarily with receipts earned from billings to Medicaid. The management support ones use federal EI funds.
2. The positions are not new governmental positions, as these used to be LOCAL government and are now shifted to state level positions. They were formerly established and maintained through the Area MH/DD/SAS Programs.
3. The number of positions planned for the CDSA's is significantly less than the numbers of early intervention positions formerly with the Area Programs (579). The funds "saved" from this reduction will be used to contract with other private providers for the different types of required early intervention services.
4. The number and types of positions to be established at the CDSA's is only what is needed to implement statewide the Early Intervention Reorganization Plan developed by DHHS and other members of the early intervention community - involved state agencies, private providers, advocacy organizations and representatives..
5. Last year Phase I was implemented which included adding service and support staff at the Durham and Rocky Mount CDSA's. This request is for the remaining 11 state operated centers (CDSAs)
6. The Reorganization Plan and this request reflects the CDSA's providing only two of the 19 specific types of early intervention services required by the federal and State early intervention legislation; evaluation/eligibility determination and service coordination. The CDSA's will contract with other private community providers for the other 17 (such as speech/physical/occupational therapy and special

instruction. The Plan called for the eligibility determination and service coordination to be done by the CDSA's because persons in these positions will be making decisions about the level of service and state resource needed for eligible children. It was felt that this responsibility is more appropriate for a State agency, not an outside organization or individual not directly accountable to the State.

7. The actual numbers and types of positions requested are based on actual current data - number of children served and existing state guidelines such as staff caseload requirements.
8. The recent federal monitoring of the NC Early Intervention System indicated that full implementation of the Reorganization Plan was necessary to achieve compliance with federal early intervention regulations. If N.C. cannot assure compliance, \$11.6 million in federal funds are subject to discontinuance.
9. All of the positions are CDSA staff, the local lead agency responsible for assuring service delivery requirements are met, and none are Raleigh or state office staff