

# Funding HealthySteps: Site & System Snapshots

HealthySteps National Office Policy & Finance Team



PEDIATRIC CARE • SUPPORTING • PARENTING  
A Program of ZERO TO THREE

***HealthySteps sites use a variety of methods to fund their programs and support the delivery of services to children and their families.***

The funding snapshots highlighted below provide real-life examples of how current HealthySteps sites support and maintain their programs and cover associated costs. The HealthySteps National Office at ZERO TO THREE provides technical assistance to sites on potential funding mechanisms. For more information on funding your program, please contact Jennifer Tracey, Senior Director of Growth and Sustainability, at [JTracey@zerotothree.org](mailto:JTracey@zerotothree.org).

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## ***Braided Funding Through Billing Reimbursement, System Reinvestment and Philanthropy***

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***Description of HealthySteps Site/System:*** Three pediatric primary care clinics within an academic medical center system serving 8,700 children birth to three and their families annually. The seven HealthySteps Specialists providing [Tier 2](#) and [Tier 3](#)<sup>1</sup> services at these sites are licensed pediatric psychologists who coordinate their part-time hours to ensure coverage for the clinics.

***Funding Mechanisms:*** Billing reimbursement from both Medicaid and private payers covers the HealthySteps Specialist salaries that account for most program costs. Although some traditional billing pathways for psychologists are not available in this state, the system maximizes prevention and mental health billing opportunities for the HealthySteps program. Administrative costs such as space, materials, recruitment, and training are covered through dedicated system funding from the Division of General Pediatrics, the Division of Behavioral Medicine and Clinical Psychology, and a Strategic Planning budget. A small amount of philanthropic funding supports costs associated with the system's decision to integrate HealthySteps into a broader grant to research community-based behavioral health practices and associated billing strategies.

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<sup>1</sup> The HealthySteps Model (2018). Retrieved from <https://www.healthysteps.org/the-model>.

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***Large Health System Reinvests in HealthySteps to Advance Population Health Initiatives***

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**Description of HealthySteps Site/System:** A large health system that currently supports four geographically and socioeconomically diverse HealthySteps sites in family practice and pediatric settings. HealthySteps was initially implemented in 1997 at two sites, and the program has grown since; with a total of approximately 16,000 children birth to three receiving care annually. Each of the four sites employs one full-time master’s trained HealthySteps Specialist. In addition to working with families, the health system also relies upon HealthySteps Specialists to train residents on early childhood topics and how to capitalize on the well-child visit as an opportunity to truly understand child development, behavior and parent-child relationships.

***Other Funding Options of Interest to this Health System***

- Pilot with Medicaid managed care organizations to explore payment options for HealthySteps
- Bill Medicaid for services and explore billing potential with commercial insurers

**Initial Funding Mechanisms:** HealthySteps funding sources have included a combination of internal graduate medical education funds to support residency training, philanthropic and foundation funding, and health system reinvestment.

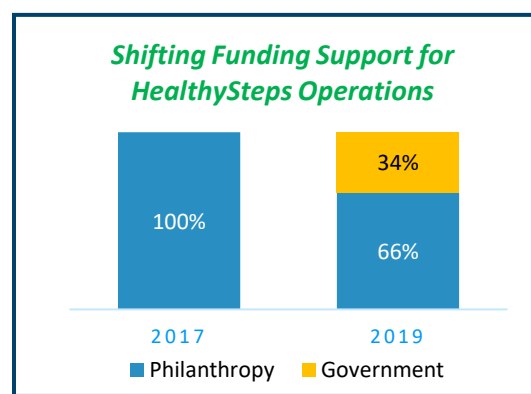
**Current Funding Mechanisms:** Over the past year, the senior health system leadership has purposefully dedicated internal funds, through its population health efforts, to support ongoing HealthySteps program costs. The health system is relying less on external grant funding to support ongoing costs and is instead incorporating HealthySteps into its broader system efforts to advance the success of population health initiatives.

## *Philanthropic Support Seeds Implementation of HealthySteps*

**Description of HealthySteps Site/System:** Two outpatient clinics that are part of a children’s hospital system in an urban setting, serving 4,500 children birth to three and their families annually. These sites implemented HealthySteps in 2017, and newly dedicated local government funds will support expansion to two additional HealthySteps sites over the next year. The three HealthySteps Specialists providing [Tier 2 and Tier 3<sup>1</sup>](#) services are licensed doctoral level clinical psychologists with specialized training in early childhood development and infant mental health. A community health worker supports the team to ensure successful connections to referrals and social service agencies.

**Initial Funding Mechanisms:** Philanthropic foundations funded HealthySteps’ initial implementation. Both clinics have had beginning success billing Medicaid for some HealthySteps services. This revenue goes into the hospital system’s general fund and is not specifically allocated to support the HealthySteps program at this time.

**Current Funding Mechanisms and Future Goals:** This system is decreasing its initial reliance on philanthropic funding in two ways. With dedicated local government funds, the sites are covering some of their existing staffing costs and expanding the model to two additional sites. Additionally, the sites are establishing efficient billing practices and advocating for increased billing opportunities with their payers.



<sup>1</sup> The HealthySteps Model (2018). Retrieved from <https://www.healthysteps.org/the-model>.

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### ***Tobacco Tax Revenue Funding to Support Early Childhood and Family Health Outcomes***

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**Description of HealthySteps Site/System:** A large Federally Qualified Health Center (FQHC) system that operates HealthySteps in eight rural sites, serving 2,529 children birth to three and their families annually. Seven HealthySteps Specialists with a range of training and credentials provide [Tier 2 and Tier 3<sup>1</sup>](#) services to children ages birth to three and their families. Additionally, one of the seven HealthySteps Specialists provides part-time HealthySteps telehealth consults to families at a rural site that contracts with the FQHC system for clinic staffing.

**Funding Mechanism:** HealthySteps operating costs are 100 percent funded through grants awarded by the state's Early Childhood Development and Health Fund. This state uses revenue from tobacco product taxes to maintain the fund, and an oversight board distributes dollars to qualified programs and services. HealthySteps' outcomes have continuously qualified sites to obtain these dollars by demonstrating increased screenings and service coordination to reduce undetected and untreated health issues in young children.

**Additional Funding Efforts:** While sites are currently 100 percent grant funded, they are working to diversify their funds to avoid relying on a single funding stream. National trends indicate that smoking rates are declining and, ultimately, tobacco tax revenues are decreasing. With the support of the HealthySteps National Office, these sites (and others across the state) are currently engaged in advocacy efforts to payers for policy changes to create billing opportunities and value-based payment arrangements that help to sustain HealthySteps.

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<sup>1</sup> The HealthySteps Model (2018). Retrieved from <https://www.healthysteps.org/the-model>.

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### ***State Dedicated Child Welfare Prevention Funds to Reduce Child Abuse and Neglect***

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**Description of HealthySteps in the State:** An expanding number of family and pediatric primary care clinics (soon to be 7 HealthySteps sites), serving 10,725 children birth to three and their families annually, in a state consistently ranking in the top three for population growth in the country. In one of the counties where HealthySteps is implemented, nearly 8 percent of the population is under the age of five. Innovations to increase support to the growing population include potential access to HealthySteps supports via a school-based clinic, a mobile pediatric clinic, and a Neonatal Intensive Care Unit Early Support and Care Transition practice.

**Funding Mechanism:** The state has directed Family and Protective Services funding to support county-level Prevention and Early Intervention Programs for families with children ages birth to five. These community-based collaborations, including HealthySteps, aim to increase family protective factors and prevent and mitigate the impacts of adverse childhood experiences, ultimately reducing the likelihood that a child will experience maltreatment. Certain counties in the state are using their funds to implement HealthySteps as an evidence-based program to support the advancement of these goals.

HealthySteps is a natural fit for the state's goals. A national evaluation found that children were 1.4 times more likely to have nonmedical referrals (for behavior, speech, hearing, child abuse or neglect, and early intervention) and participating parents were 22 percent less likely to rely on harsh punishment (yelling, spanking with hand) and less likely to use severe discipline (face slap, spanking with objects).<sup>1,2</sup> Additional site level results point to the power of HealthySteps to potentially interrupt intergenerational transmission of trauma.<sup>3</sup>

<sup>1</sup> Guyer, B., Barth, M., Bishai, D., Caughy, M., Clark, B., Burkom, D., & Tang, C. (2003). Healthy Steps: The first three years: The Healthy Steps for Young Children Program National Evaluation. Johns Hopkins Bloomberg School of Public Health, February 28, 2003.

<sup>2</sup> Johnston, B.D., Huebner, C.E., Anderson, M.L., Tyll, L.T., & Thompson, R.S. (2006). Healthy Steps is an integrated delivery system: Child and parent outcomes at 30 months. *Archives of Pediatrics & Adolescent Medicine*, 160(8), 793-800.

<sup>3</sup> Briggs, R.D., Silver, E.J., Krug, L., Mason, Z, Schrag, R.D.A, Chinitz, S. & Racine, A.D. (2014). Healthy Steps as a Moderator: The Impact of Maternal Trauma on Child Social-Emotional Development. *Clinical Practice in Pediatric Psychology*, 2 (2), 166-175.

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### ***Funding HealthySteps – Best Practices from the National Office***

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Sustaining HealthySteps over time requires braiding together a diverse set of funding mechanisms to support initial and ongoing programmatic costs. Due to the model's intentional flexibility and variabilities across clinical settings, no two HealthySteps sites are funded identically, as illustrated by the Funding Snapshots. However, a range of best practices should be considered as sites develop their sustainability plans.

***Engage your HealthySteps Implementation Team*** to develop a shared vision and set of goals for long-term sustainability. In addition to your HealthySteps Specialist and Physician Champion, critical members of this team include billing staff who are experts in coding and site and state-specific reimbursement regulations, as well as system leaders who can enact change and make financial decisions.

***Establish short-term funding mechanisms (initial 3 years)***. These generally include time-limited grants from government agencies, philanthropic foundations, or local entities. Grant funding is an excellent means of initially implementing a HealthySteps program, but solely relying on grants does not provide a pathway to longer-term sustainability.

***Explore opportunities for long-term funding mechanisms (3+ years)***. Long-term strategies often rely upon a variety of funding sources to support ongoing program costs. To the extent possible, sites should maximize sustainable revenue by billing public and private health care payers for allowable services. Sites should also explore innovative payment options beyond traditional service reimbursement (e.g., value-based purchasing, direct contracting with health plans, and capitated service arrangements). Other long-term funding sources to consider include:

- Health system reinvestment and department funds
- Municipal, county, state, and federal funds, including budget line items, tax monies from tobacco and cannabis sales, and publicly funded grants
- Department of Defense and Indian Health Services
- Philanthropic funders

***Bill payers for HealthySteps Services***. HealthySteps provides additional services to children and families beyond what is typically delivered during a well-child visit. This creates opportunities to bill for services such as:

- Maternal depression screening
- Social-emotional and developmental screening
- Family protective and risk factor screening
- Anticipatory and positive parenting guidance
- Child development and behavior consults
- Lactation services
- Psychotherapy

### **About HealthySteps**

HealthySteps is an evidence-based program of ZERO TO THREE, the nation's leading nonprofit working to ensure all babies and toddlers have a strong start in life. HealthySteps transforms the promise of pediatric primary care through a unique approach that integrates a HealthySteps Specialist, a child development expert, into the health care team. All children ages 0-3 and their families receive a tiered model of services, from universal screening to risk-stratified supports, including care coordination and onsite intervention, as needed. HealthySteps practices serve as trusted and valuable partners as families foster their children's healthy development. Together, the national network of HealthySteps sites aims to reach more than 1 million young children annually by 2032. Visit [healthysteps.org](https://healthysteps.org) or contact ZERO TO THREE to learn more.

### **About ZERO TO THREE**

ZERO TO THREE works to ensure all infants and toddlers benefit from the family and community connections critical to their well-being and development. Since 1977, the organization has advanced the proven power of nurturing relationships by transforming the science of early childhood into helpful resources, practical tools and responsive policies for millions of parents, professionals and policymakers. For more information, and to learn how to become a ZERO TO THREE member, please visit [zerotothree.org](https://zerotothree.org), [facebook.com/zerotothree](https://facebook.com/zerotothree), or follow [@zerotothree](https://twitter.com/zerotothree) on Twitter.