

Policy:

System of Payments

Effective:

Approved: December 17, 2019

Updated: November 17, 2020

Federal Authority:Title 34 of the U.S. Code of Federal Regulations, Subtitle A, Part 76:

§§ 76.709-710

Title 34 of the U.S. Code of Federal Regulations, Vol. II, Chapter III, Parts 300-399:

§§; 303.1(b); 303.13(a)(3); 303.203(b); 303.211(b)(1)(ii)(C); 303.211(d); 303.420(a)(4); 303.510(c); 303.520-303.521; 303.601(a)(10)

Title 20 of the U.S. Code of Law, Chapter 33. §§1400-1499:

§§ 1231(d); 1400(d)(2); 1417(c); 1431(a)(5); 1431(b); 1432(3)-(4); 1435(a)(1); 1435(a)(10); 1435(c); 1436(e); 1437(a)(2)-(3); 1437(a)(11); 1439(a); 1440; 1441(b); 1441(f); 1442.

System of Payments

- The South Carolina IDEA/Part C system of payments does not include cost participation fees but includes the use of public and private insurance. Proceeds or funds from public benefits or private insurance will not be treated as program income.
- Procedural safeguards, service coordination, child find, eligibility evaluations, assessments, and development and administration of the Individualized Family Service Plan (IFSP) will be provided at no cost to the family.
- Early Intervention Services (EIS) authorized on the IFSP will not be delayed or denied because of disputes between agencies regarding financial or other responsibilities.

Parent Consent to Use Insurance:• **Only Private Insurance:**

- Parent consent is required for IDEA/Part C to access private insurance to pay for EIS, and with written communication, may be withdrawn at any time.
- If the parent provides consent, IDEA/Part C will pay all deductibles, co-payments, and/or co-insurance for EIS on the child's IFSP. It is the responsibility of the Service Coordinator to document consent so that deductibles, co-payments, and/or co-insurance are not paid by the family. The parent is responsible for all private insurance premiums. IDEA/Part C funds cannot be used for premium assistance.
- All EIS on the IFSP are available to the child and family regardless of whether the family provides or denies permission to use private insurance to pay.

• **Medicaid:**

- Parent consent is not required to access Medicaid for payment of EIS; however, as lead agency under IDEA/Part C, the South Carolina Department of Health and Human Services (SCDHHS) must notify families if their Medicaid benefits are used in accordance with 34 CFR §303.520.
- Medicaid will not reimburse for care received from an out of network provider. In situations where a provider is not in network, the parent may need to change to a provider who is in network or request to change the child's managed care organization. A change can be made to the health plan within the first 90 days of when a child is enrolled. If the change is not made within the first 90 days of enrollment, then the child must stay in the health plan for a year, unless a good reason is given for the change.

Family Rights in The System of Payments:

All family rights and safeguards under IDEA/Part C apply to the system of payments. The parent has the right to contest a fee via dispute resolution options, including filing a formal written complaint, requesting mediation, and/or requesting a due process hearing. Parents' rights are in the Family Guide to the IDEA/Part C System and available through the assigned Service Coordinator.

IDEA/Part C federal funds may be used to:

- Ensure that EIS authorized on the IFSP are received by eligible children and families, and that EIS continue until the IFSP team determines that the EIS are no longer necessary to meet the child and family's outcomes or until the child's third birthday, whichever comes first.
- Supplement the level of state funds expended for infants and toddlers with disabilities and their families.
- Pay for the provision of EIS and supports when the responsible entity fails to provide or pay for EIS that have been authorized by the IFSP, or the determination of payment responsibility has not been made and EIS must be provided prior to such a determination.
- Pay for direct EIS for eligible children and their families that are not otherwise provided from other public or private sources, or to expand and improve on EIS that are otherwise available.
- Pay co-payments, and/or deductibles to third party payers for authorized EIS when necessary for the child and family to access EIS, as identified on the IFSP. IDEA/Part C funds will not be used to pay private insurance premiums.
- Cover costs incurred by SCDHHS for administering the IDEA/Part C early intervention system to the extent it is reasonable and necessary to do so.

IDEA/Part C federal funds may not be used to:

- Supplant existing state and local funds, nor will they be commingled with state funds.
- Satisfy a financial commitment for EIS that would otherwise have been paid for from another public or private source, including Early Head Start or any medical program administered by the Secretary of Defense.
- Permit reduction of medical or other assistance available, or to alter eligibility under Title V of the Social Security Act (SSA) (relating to maternal and child health) or Title XIX of the SSA (relating to Medicaid for children eligible IDEA/Part C) when EIS covered under these eligibilities are included in the child's IFSP.

Other Conditions of IDEA/Part C Funds

- IDEA/Part C federal funds that are not fully expended in the year in which they were appropriated will "roll forward" and become available to IDEA/Part C during the subsequent fiscal year.
- Policies related to how EIS will be provided and paid must be reflected in interagency and EIS provider agreements, and other required methods.

Fiscal Supervision and Monitoring

Each participating state agency (PSA) and EIS provider with IDEA/Part C will:

- Submit financial and other written reports at the time and manner specified by IDEA/Part C;
- Submit an annual fiscal certification regarding:
 - Appropriate use of state IDEA/Part C funds
 - Payor of last resort
 - System of payments, including any use of public benefits and/or private insurance
- Participate in periodic on-site fiscal monitoring visits conducted by IDEA/Part C.

Interagency Coordination of Resources

SCDHHS shall maintain control of IDEA/Part C funds provided by the State by the U.S. Department of Education and title to all property acquired with those funds. SCDHHS shall utilize all funds provided under IDEA/Part C that are reasonable and necessary for administering the state early intervention system.

- SCDHHS shall be responsible for the identification and coordination of available resources for EIS within the State, including those from federal, state, local and private sources. Federal funding sources in this section include:
 - Title V of the Social Security Act (relating to Maternal and Child Health)
 - Title XIX of the Social Security Act (relating to the general Medicaid Program which includes EPSDT)
 - The Head Start Act
 - Parts B and C of IDEA
 - Subpart 2 of Part D of Chapter 1 of Title I of the Elementary and Secondary Education Act of 1965, as amended
 - The Developmental Disabilities Assistance and Bill of Rights Act (P.L. 94-103)
 - Other Federal Programs
 - Updating the information on the funding sources if there is a legislative or policy change under any of those sources
- IDEA/Part C funds are federally designated as payor of last resort. IDEA/Part C system personnel are prohibited from utilizing IDEA/Part C funds (“IDEA/Part C Service Funds”) to pay for EIS that would otherwise have been covered by funds from another public or private source were the family and child not eligible for EIS. IDEA/Part C Service Funds may be used only for EIS listed on the Individualized Family Service Plan, for which the family and/or child is not currently entitled to under any other federal, state, local, or private source. Service Coordinators are responsible for ensuring and documenting that all other potential funding sources (including but not limited to private health insurance, TriCare, Medicaid, Medicaid waivers, Children’s Rehabilitative Services, etc.) have been exhausted prior to authorizing use of IDEA/Part C Service Funds.
- In no way will IDEA/Part C eligibility be used to reduce medical or other assistance available, or to alter eligibility under Title V of the Social Security Act (SSA) (relating to maternal and child health) or Title XIX of the SSA (relating to Medicaid for children eligible for IDEA/Part C).
- Maintenance of Effort: Funds provided to the State under IDEA/Part C shall only be used to supplement and increase state and local funds for eligible children. They may not be utilized to supplant existing state and/or local funds. The total amount of state/local funds budgeted for expenditures in each current fiscal year shall be at least equal to the total amount of state/local funds actually expended for EIS for these children and families in the most recent preceding fiscal year for which the information is available. Allowances may be made for:
 - Decreases in the number of infants and toddlers who are eligible to receive EIS under IDEA/Part C
 - Unusually large amounts of funds expended for such long-term purposes as the acquisition of equipment and the construction of facilities.
- In compliance with the General Education Provisions Act, SCDHHS is responsible for ensuring equitable access and participation for all IDEA/Part C-eligible children. Resources are made available under Part C for all geographic areas within the state through contracts with Participating State Agencies and EIS provider agreements. Each agency and provider are required to serve all eligible children within their service area.

SCDHHS is responsible for ensuring that traditionally underserved groups, including minority, low-income, and rural families, are meaningfully involved in the planning and implementation of all components of the early intervention system and that these families have access to culturally competent EIS within their local geographical areas.