



IDEA
INFANT & TODDLER
COORDINATORS ASSOCIATION
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ITCA WEBINAR SERIES: 2011 PART C REGULATIONS

Topic: Finance

SERIES OVERVIEW

- ③ Presentation of significant changes in the new regulations
- ③ Member discussion on potential impact
- ③ Member identification of products to support states

SCHEDULE

- ◎ *Child Find, Public Awareness, Evaluation and Assessment*
 - ◎ September 26 – 3:30 Eastern
- ◎ *IFSP and Transition*
 - ◎ October 3– 3:30 Eastern
- ◎ *Procedural Safeguards*
 - ◎ TBD

DRAFT HANDOUT

- ◎ Initial Analysis
- ◎ Format:
 - ◎ Column 1: Old regulations
 - ◎ Column 2: Draft regulations
 - ◎ Column 3: 2011 regulations (shaded)
 - ◎ Cross Column: Preamble language
- ◎ Sequence:
 - ◎ Sequential for 2011 regulations

§303.203 STATEWIDE SYSTEM AND DESCRIPTION OF SERVICES

- ③ State Application must include
 - ③ (b)(1) Policies and procedures related to system of payments
 - ③ (b)(2) Methods used by the State to implement payor of last resort

§303.225 PROHIBITION AGAINST SUPPLANTING; INDIRECT COSTS

- ◎ Combines §303.123 and §303.124
- ◎ Indirect cost language
- ◎ New NPRM related to MOE

§303.511 METHODS TO ENSURE THE PROVISION OF, AND FINANCIAL RESPONSIBILITY FOR, PART C SERVICES

- ◎ Combines §303.173, §303.520, §§ 303.522-524
- ◎ Requirement for inter and intra-agency agreements that clearly identify the financial and service provision responsibilities

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

- ⊙ Use of public benefits:
 - ⊙ Must provide written notification to parents;
 - ⊙ Must ensure no cost protection provisions;
 - ⊙ May not require parents to enroll in public benefits or insurance program; and
 - ⊙ Must obtain consent if use does not meet the no cost protection provisions.

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

- ⊙ Written notification:
 - ⊙ Consent for release of child's personally identifiable information for purpose of billing to the state agency responsible for the public benefit or program;
 - ⊙ Statement of no-cost protections and that if the family refuses to consent, the child is still eligible to receive all IFSP services that the family has consented to;
 - ⊙ Right to withdraw consent at any time; and
 - ⊙ Statement of general categories of cost that the parent may incur.

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

- ⊙ No cost protections:
 - ⊙ Decrease in available lifetime coverage or other insured benefit for the child or parent;
 - ⊙ Payment by the family for services that would otherwise be covered by the public benefits or insurance program;
 - ⊙ Increase in premiums or discontinuation of public benefits or insurance
 - ⊙ Loss of home and community-based waivers based on aggregate health-related expenditures

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

⊙ System of Payments:

- ⊙ *“If a State requires a parent to pay any costs that the parent would incur as a result of the State’s using a child’s or parent’s public benefits or insurance to pay for Part C services (such as co-payments or deductibles, or the required use of private insurance as the primary insurance), those costs must be identified in the State’s system of payments policies...”*

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

- ⊙ Use of private insurance:
 - ⊙ Must obtain written parental consent
 - At initial IFSP;
 - Each subsequent time consent for services is required due to increase in service provision;
 - ⊙ Any cost for use must be included in system of payments policy
 - Policy must be provided to the family that identifies potential cost that may be incurred

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

- ⊙ Parental Consent not required if:
 - ⊙ If State has enacted statute regarding private health insurance coverage that expressly provides :
 - Use does not affect annual or lifetime cap for child or family
 - Use does not negatively affect availability of insurance coverage or result in discontinuance of coverage for child or family
 - Use does not result in an increase in the annual premium for child or family

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

- ⊙ Proceeds from public or private insurance:
 - ⊙ Not treated as program income
 - ⊙ Federal funds received from public insurance are not considered state or local funds
 - ⊙ Private insurance funds are not considered state or local funds

§303.520 POLICIES RELATED TO USE OF PUBLIC BENEFITS OR INSURANCE OR PRIVATE INSURANCE TO PAY FOR PART C SERVICES (CONTINUED)

- ◎ Funds received under system of payments:
 - ◎ Are considered program income
 - ◎ Are not deducted from total allowable costs (Edgar 34 CFR 80.25(g)(1))
 - ◎ Must be used for Part C program
 - ◎ Not considered state or local funds for MOE purposes

§303.521 SYSTEM OF PAYMENT AND FEES

- ⊙ Written policies must include:
 - ⊙ Payment system and schedule of fees
 - ⊙ Basis and amount of fees
 - ⊙ Definition of ability and inability to pay including process for determining
 - ⊙ Assurance regarding services to be provided at no cost
 - ⊙ Provision regarding failure to provide income information
 - ⊙ Provision that permits the lead agency to use Part C funding to pay some costs (premiums, deductibles, co-pays)
 - ⊙ Procedural Safeguards

§303.521 SYSTEM OF PAYMENT AND FEES (CONTINUED)

- ◎ Functions not subject to fees
 - ◎ Child Find
 - ◎ Evaluation and Assessment
 - ◎ Service Coordination
 - ◎ IFSP development, review and evaluation
 - ◎ Procedural Safeguards

§303.521 SYSTEM OF PAYMENT AND FEES (CONTINUED)

- ⊙ States with FAPE mandate may not charge parents for any services under this part that are part of FAPE
- ⊙ Fees collected are considered program income and must be used for the purposes of Part C
- ⊙ Fees collected are not considered state or local funds for MOE