

## **XII. POLICIES AND PROCEDURES RELATED TO FINANCIAL MATTERS**

### **POLICIES RELATED TO PAYMENT FOR SERVICE (34 CFR 303.520)**

The Missouri Department of Elementary and Secondary Education is responsible for policies related to payment of Early intervention Services for eligible children. These policies are consistent with the funding policies as outlined in 34 CFR 303.520 (b).

~~All Early Intervention services are provided at no cost to parents.~~

Proceeds from public or private insurance (Sec. 303.520 (d)).

The State of Missouri assures that proceeds from public or private insurance are not treated as program income for purposes of 34 CFR 80.25 and if a public agency spends reimbursements from Federal funds (e.g., Medicaid) for Early Intervention services, those funds are not considered State or local funds for purposes of the provisions contained in Sec. 303.124.

### **FEES (34 CFR 303.521)**

~~The State of Missouri assures that fees are not charged for the services that a child is otherwise entitled to receive at no cost to parents and that the inability of parents to pay for services will not result in the denial of services to a child or the child's family. Services that are not subject to fees include: child find activities; evaluation and assessment; service coordination; and administrative and coordinative activities related to the development, review, and evaluation of IFSPs and implementation of the procedural safeguards.~~

### **FAMILY COST PARTICIPATION (34 CFR 303.520)**

**A system of payments which establishes family participation in the cost of providing early intervention services except for the following services which must be provided at no cost to the family: child find activities; evaluation and assessment; service coordination; and administrative and coordinative activities related to the development, review, and evaluation of IFSPs and implementation of procedural safeguards.**

All First Steps providers must be recognized and enrolled providers with the state's Medicaid agency for those services covered under the state's Medicaid State Plan. For those children who are eligible or enrolled in Medicaid, the cost for services incurred in the eligibility determination process, IFSP planning and development, and service delivery for those covered services will be paid for by Medicaid.

#### **Definitions:**

**(a) Ability to pay is the determination of a family's financial ability to contribute to the cost of early intervention services provided by Missouri First Steps based on the family's placement on a sliding fee scale. Placement on the scale at the minimum family participation rate as established by statute or by the lead agency indicates an ability to pay.**

**During the process of "ability to pay" determination, the family must be informed of their right to refuse any service; receive the following services at no cost: child find activities; evaluation and assessment; service coordination; administrative and coordinative activities related to the development, review, and evaluation of IFSPs and implementation of procedural safeguards; and their right to have the family cost share amount reviewed;**

**(b) Adjusted gross income means the adjusted income as reflected on the previous year federal income tax form;**

**(c) Allowable deductions are out-of-pocket family expenses, as defined by the lead agency, that may be allowed in the consideration of family hardship when an adjustment to the calculated monthly fee is determined to be appropriate;**

(d) **Family cost participation** is the process authorized by section 160.920, RSMo, providing for family participation in the costs of early intervention services;

(e) **Family cost share or family fee** the maximum amount the family must pay per month based on the family's ability to pay, considering the family's adjusted income as determined on the previous year federal income tax form. The fee is based on a family unit, not per individual child;

(f) **Family unit** means the group of individuals in the same household whose information is used to determine family size and financial resources. It could include, but is not limited to, biological parents, adoptive parents, step-parents, and children (biological and adoptive);

(g) **Family cost participation notification** informs the family (financially responsible person/head of household) of the actual amount of monthly fees the family is required to pay to participate in the Missouri First Steps system;

(h) **Financial hardship** refers to unplanned occurrences in a family that adversely impacts the financial stability of the family. The following occurrences may cause an adjustment to be made in the amount of monthly fees: Loss of home, loss of job, or extensive medical costs incurred/ documented in the current year as determined applicable by the SPOE Director. One or more of these occurrences may be used to modify a calculated monthly fee or become the basis for a determination of 'inability to pay';

(i) **Inability to pay** refers to a determination that the family is not able to financially contribute to the cost of early intervention services provided by Missouri First Steps. Placement on the sliding fee scale at \$0.00 indicates an inability to pay. Families currently enrolled in Medicaid are assumed to have an "inability to pay" for purposes of receiving services through the Missouri First Steps system.

(j) **Income verification** is the process of reviewing family documentation of income and allowable expenses that will occur during the intake process, annual review or at other times as requested by the family, the SPOE, or the lead agency. Required documentation will be as specified by the lead agency. If a family refuses to provide requested financial information, the family will be placed on the monthly fee schedule at the highest allowable level;

(k) **Financially responsible person/head of household** means the individual who is obligated by this regulation to pay the calculated monthly fees for participation;

(l) **Gross annual income (earned and unearned)** is the total monthly income from all sources before payroll deductions, other withholdings, and expenses incurred in earning the income. Examples would include salaries and wages, dividends, annuities, interest, rents, pensions, disability and survivor benefits, Workers' Compensation, unemployment compensation, maintenance and child support payments, bonuses, tips and gratuities, income from business or profession, and any other taxable and nontaxable income as required in the reporting of federal income tax. If the gross annual income used in the current calculation of monthly fees changes by more than ten (10) percent, the family must report the change to the SPOE within fifteen (15) working days. This change may require a recalculation of the monthly participation fee. Failure to report within 15 working days may require the retroactive payment of a higher fee. If the family fails to report the change within the appropriate time frame and a reduction in fee is calculated for the family, the new reduced fee will not be retroactive;

(m) **Household size** is the number of persons dependent upon the income of the financially responsible person(s) in the family unit. For purposes of determining the size of the family unit for First Steps, dependency for family members must meet the dependency test applied

by the federal *Internal Revenue Code*;

(n) **Missouri First Steps** is the Missouri early intervention system for infants and toddlers, ages birth to three that meets the requirements of the *Individuals With Disabilities Education Act (IDEA), Part C*;

(o) **Monthly fee** is the monthly amount charged to a family for participation in Missouri First Steps as determined by application of the approved sliding fee scale;

(p) **Private health insurance** is an insurance policy/contract which covers certain health identified conditions, including early intervention services pursuant to section 378.1218, RSMo;

(q) **Provider** refers to a provider of early intervention services in the First Steps system authorized to perform such services by the lead agency;

(r) **Recipient** is the person (infant/toddler or family of an infant/toddler) receiving services through Missouri First Steps;

(s) **Sliding Fee Scale** refers to the table used in determining the monthly fee to be charged to a family for participation in Missouri First Steps. The scale was developed using two-hundred percent (200%) of the federal poverty guidelines for the year 2005. The family fee scale shall be updated annually when changes occur in the federal poverty guidelines. Changes to the calculated amount of family fees shall take effect as of the first of the month following the change.

(t) **Unearned income** means income that is not derived from employment. Examples would include maintenance and child support monies, interests, pensions, unemployment benefits, Workers' Compensation and benefits from the Social Security Administration, Railroad Retirement Board, Civil Service Commission, Veterans Administration, and other similar types of income.

**Process for determining family fees:**

Family fees are based on a sliding scale that considers the adjusted gross income for the family and the number of family members. This fee will be calculated at each System Point of Entry (SPOE) and is due and payable monthly. The calculated fee is due for any portion of a month in which First Steps services are accepted by the family.

If the child/family is eligible for Medicaid (under any state entitlement program), Supplemental Security Income (SSI), General Relief (GR) or Food Stamps, the family cost participation notice will reflect \$0.00 monthly payment. Documentation of Medicaid eligibility as determined by the lead agency must be placed in the family's financial file maintained by the SPOE.

**Failure to comply with these requirements:**

The SPOE shall encourage the family to provide required financial information so that family cost participation can be determined. The amount of the monthly fee assessed may be increased to the maximum allowed by statute for any of the following reasons:

1. Refuses to provide financial information to the SPOE in order to calculate the fee
2. Provides false or misleading information
3. Refuses to provide access to health insurance (if available)

**Failure to Pay:**

The lead agency or its designee will take action to collect any unpaid amounts due based on the sliding fee scale. These actions may include, but are not limited to, suspension of early

intervention services except those provided at no cost. The family will be notified by mail when monthly fees are 30, 60, and 75 days in arrears. On the 75<sup>th</sup> day after non-payment of the calculated monthly fees, the financially responsible person/head of household will be notified by mail that early intervention services (except those provided at no cost) will be suspended on the 90<sup>th</sup> day of non-payment. The lead agency or its designated agent shall also notify the appropriate SPOE when a family is in a non-payment status. The data system will contain a comment that services were suspended due to non-payment of required fees. ,A family may not receive services in another SPOE area unless reinstatement criteria are met;

**Reinstatement of services:**

Services suspended for non-payment of applicable fees may be reinstated upon full payment of all fees in arrears and the completion of a current family cost participation agreement if no more than three months have passed since the date of suspension. If more than three months have passed since suspension of services, the IFSP team must reassess the appropriateness of the existing IFSP before reinstating services. The family is not guaranteed the same individual service provider(s) as was assigned prior to the suspension of services;

**Periodic review of assessed fees:**

A review of family finances and the appropriateness of the current monthly fees will be conducted annually and may occur upon family request, if the family financial status changes significantly;

**Family appeal procedures:**

Families will provide financial information to their service coordinator used to determine the amount of monthly participation fees. If the family disagrees with the amount assessed, the family may make an appeal for review in writing to the SPOE Director. The director will review the rationale for the monthly fee assessed. The family should submit financial information and a description of any special circumstances that may impact the decision relating to the payment of monthly fees. The SPOE Director will make a final decision regarding the appeal after analyzing all available information.

The following tables outline the minimum monthly and maximum yearly fees for participation in Missouri First Steps based on family size and adjusted gross income:

Family Size = 2		
If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$25,659 or under	\$0.00	\$0.00
\$25,660 to \$30,470	\$5.00	\$60.00
\$30,471 to \$35,282	\$6.66	\$79.92
\$35,283 to \$40,093	\$13.32	\$159.84
\$40,094 to \$44,904	\$19.98	\$239.76
\$44,905 to \$49,715	\$26.64	\$319.68
\$49,716 to \$54,527	\$33.30	\$399.60
\$54,528 to \$59,338	\$39.96	\$479.52
\$59,339 to \$64,149	\$46.62	\$559.44

Family Size = 3		
If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$32,179 or under	\$0.00	\$0.00
\$32,180 to \$38,213	\$5.00	\$60.00
\$38,214 to \$44,247	\$6.66	\$79.92
\$44,248 to \$50,280	\$13.32	\$159.84
\$50,281 to \$56,314	\$19.98	\$239.76
\$56,315 to \$62,348	\$26.64	\$319.68
\$62,349 to \$68,382	\$33.30	\$399.60
\$68,383 to \$74,415	\$39.96	\$479.52
\$74,416 to \$80,449	\$46.62	\$559.44

\$64,150	to	\$68,960	\$53.28	\$639.36
\$68,961	to	\$73,772	\$59.94	\$719.28
\$73,773	to	\$78,583	\$66.60	\$799.20
\$78,584	to	\$83,394	\$73.26	\$879.12
\$83,395	to	\$88,205	\$79.92	\$959.04
\$88,206	to	\$93,017	\$86.58	\$1,038.96
\$93,018	to	\$97,828	\$93.24	\$1,118.88
\$97,829	to	\$102,639	\$99.90	\$1,198.80
\$102,640	or over		\$100.00	\$1,200.00

\$80,450	to	\$86,483	\$53.28	\$639.36
\$86,484	to	\$92,517	\$59.94	\$719.28
\$92,518	to	\$98,550	\$66.60	\$799.20
\$98,551	to	\$104,584	\$73.26	\$879.12
\$104,585	to	\$110,618	\$79.92	\$959.04
\$110,619	to	\$116,652	\$86.58	\$1,038.96
\$116,653	to	\$122,685	\$93.24	\$1,118.88
\$122,686	to	\$128,719	\$99.90	\$1,198.80
\$128,720	or over		\$100.00	\$1,200.00

**Family Size = 4**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$38,699 or under	\$0.00	\$0.00
\$38,700 to \$45,956	\$5.00	\$60.00
\$45,957 to \$53,212	\$6.66	\$79.92
\$53,213 to \$60,469	\$13.32	\$159.84
\$60,470 to \$67,725	\$19.98	\$239.76
\$67,726 to \$74,982	\$26.64	\$319.68
\$74,983 to \$82,238	\$33.30	\$399.60
\$82,239 to \$89,495	\$39.96	\$479.52
\$89,496 to \$96,752	\$46.62	\$559.44
\$96,753 to \$104,008	\$53.28	\$639.36
\$104,009 to \$111,265	\$59.94	\$719.28
\$111,266 to \$118,521	\$66.60	\$799.20
\$118,522 to \$125,778	\$73.26	\$879.12
\$125,779 to \$133,034	\$79.92	\$959.04
\$133,035 to \$140,291	\$86.58	\$1,038.96
\$140,292 to \$147,547	\$93.24	\$1,118.88
\$147,548 to \$154,804	\$99.90	\$1,198.80
\$154,805 or over	\$100.00	\$1,200.00

**Family Size = 5**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$45,219 or under	\$0.00	\$0.00
\$45,220 to \$53,698	\$5.00	\$60.00
\$53,699 to \$62,176	\$6.66	\$79.92
\$62,177 to \$70,655	\$13.32	\$159.84
\$70,656 to \$79,134	\$19.98	\$239.76
\$79,135 to \$87,612	\$26.64	\$319.68
\$87,613 to \$96,091	\$33.30	\$399.60
\$96,092 to \$104,570	\$39.96	\$479.52
\$104,571 to \$113,049	\$46.62	\$559.44
\$113,050 to \$121,527	\$53.28	\$639.36
\$121,528 to \$130,006	\$59.94	\$719.28
\$130,007 to \$138,485	\$66.60	\$799.20
\$138,486 to \$146,963	\$73.26	\$879.12
\$146,964 to \$155,442	\$79.92	\$959.04
\$155,443 to \$163,921	\$86.58	\$1,038.96
\$163,922 to \$172,399	\$93.24	\$1,118.88
\$172,400 to \$180,878	\$99.90	\$1,198.80
\$180,879 or over	\$100.00	\$1,200.00

**Family Size = 6**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$51,739 or under	\$0.00	\$0.00
\$51,740 to \$61,440	\$5.00	\$60.00
\$61,441 to \$71,141	\$6.66	\$79.92
\$71,142 to \$80,843	\$13.32	\$159.84

**Family Size = 7+**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$58,259 or under	\$0.00	\$0
\$58,260 to \$69,183	\$5.00	\$60
\$69,184 to \$80,106	\$6.66	\$80
\$80,107 to \$91,030	\$13.32	\$160

\$80,844 to \$90,544	\$19.98	\$239.76
\$90,545 to \$100,245	\$26.64	\$319.68
\$100,246 to \$109,946	\$33.30	\$399.60
\$109,947 to \$119,647	\$39.96	\$479.52
\$119,648 to \$129,349	\$46.62	\$559.44
\$129,350 to \$139,050	\$53.28	\$639.36
\$139,051 to \$148,751	\$59.94	\$719.28
\$148,752 to \$158,452	\$66.60	\$799.20
\$158,453 to \$168,153	\$73.26	\$879.12
\$168,154 to \$177,854	\$79.92	\$959.04
\$177,855 to \$187,556	\$86.58	\$1,038.96
\$187,557 to \$197,257	\$93.24	\$1,118.88
\$197,258 to \$206,958	\$99.90	\$1,198.80
\$206,959 or over	\$100.00	\$1,200.00

\$91,031 to \$101,954	\$19.98	\$240
\$101,955 to \$112,877	\$26.64	\$320
\$112,878 to \$123,801	\$33.30	\$400
\$123,802 to \$134,724	\$39.96	\$480
\$134,725 to \$145,648	\$46.62	\$559
\$145,649 to \$156,572	\$53.28	\$639
\$156,573 to \$167,495	\$59.94	\$719
\$167,496 to \$178,419	\$66.60	\$799
\$178,420 to \$189,343	\$73.26	\$879
\$189,344 to \$200,266	\$79.92	\$959
\$200,267 to \$211,190	\$86.58	\$1,039
\$211,191 to \$222,113	\$93.24	\$1,119
\$222,114 to \$233,037	\$99.90	\$1,199
\$233,038 or over	\$100.00	\$1,200

**ENROLLMENT IN MEDICAID AND USE OF PART C FUNDS (34 CFR 303.527)**

Federal regulations for Part C of the Individuals with Disabilities Education Act stipulate that funds under this part are to be used only for early intervention services that an eligible child needs but is not currently entitled to under any other Federal, State, local, or private source.

**IDENTIFICATION AND COORDINATION OF RESOURCES (34 CFR 303.522)**

DESE is responsible for the identification and coordination of all available resources for early intervention services within the state, including those from Federal, State, local and private sources and updating the information on funding sources if a legislative or policy change occurs.

The Federal funding sources available for the Part C program include:

1. Title V of the Social Security Act (relating to Maternal and Child Health);
2. Title XIX of the Social Security Act (relating to the General Medicaid Program and EPSDT);
3. The Head Start Act;
4. Parts B and C of the IDEA;
5. The Developmentally Disabled Assistance and Bill of Rights Act, (PL 94-103); and,
6. Other Federal Programs, including but not limited to Title XXI, the state Children’s Health Insurance Program, Temporary Assistance to Needy Families (TANF), Title IV, the Child Care Development Fund, Early Head Start, etc.