

Technical Assistance Brief



Financing Early Intervention Services: Funding Hierarchy and The Coordinated System of Payment for Early Intervention Services

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The purpose of this technical assistance brief is to inform readers about the Funding Hierarchy and Coordinated System of Payment for Early Intervention Services legislation. This brief highlights the key points of the legislation, discusses implementation of the funding hierarchy, reviews the current forms used for implementation and responds to frequently asked questions.

The Coordinated System of Payment (CSP) legislation was enacted to ensure all available funding sources are utilized when funding early intervention services outlined on an eligible child's Individualized Family Service Plan (IFSP), to ease access for families to funding streams that can assist in the payment of Early Intervention (EI) services included on their child's IFSP, and to coordinate and streamline administrative procedures.

The Coordinated System of Payment amends three different state statutes:

- C.R.S. 27-10.5 (Developmental Disabilities)
- C.R.S. 25.5 (Medicaid and Children's Health Plan Plus (CHP+))
- C.R.S. 10-16 (Private Health Insurance)

The Colorado Department of Human Services (CDHS) must...

- Develop a statewide plan for a comprehensive system of early intervention services.
- Establish interagency operating agreements with the Departments of Education (CDE), Health Care Policy and Financing (HCPF), and Public Health and Environment (CDPHE).
- Develop a coordinated system of payment, in cooperation with CDE, HCPF, CDPHE, the Division of Insurance, private health insurance carriers and EI Brokers.
- CDHS must certify who is an EI Broker.
- Ensure appropriate allocation of payment responsibilities for EI Services among Federal, State, local, and private sources, including Medical Assistance and Private Health Insurance coverage.

The CSP legislation (Senate Bill 07-004) was enacted May 15th, 2007. This legislation was updated via House Bill 09-1237, which was enacted to respond to concerns from the implementation of SB 07-004 and adds two legislative declarations:

- The involvement of the child's primary health care provider and other health care providers is an essential component of effective planning for the provision of EI services.
- The provision of EI services is intended only to meet the developmental needs of an infant or toddler and not to replace other needed medical services that are recommended by the child's primary health care provider.

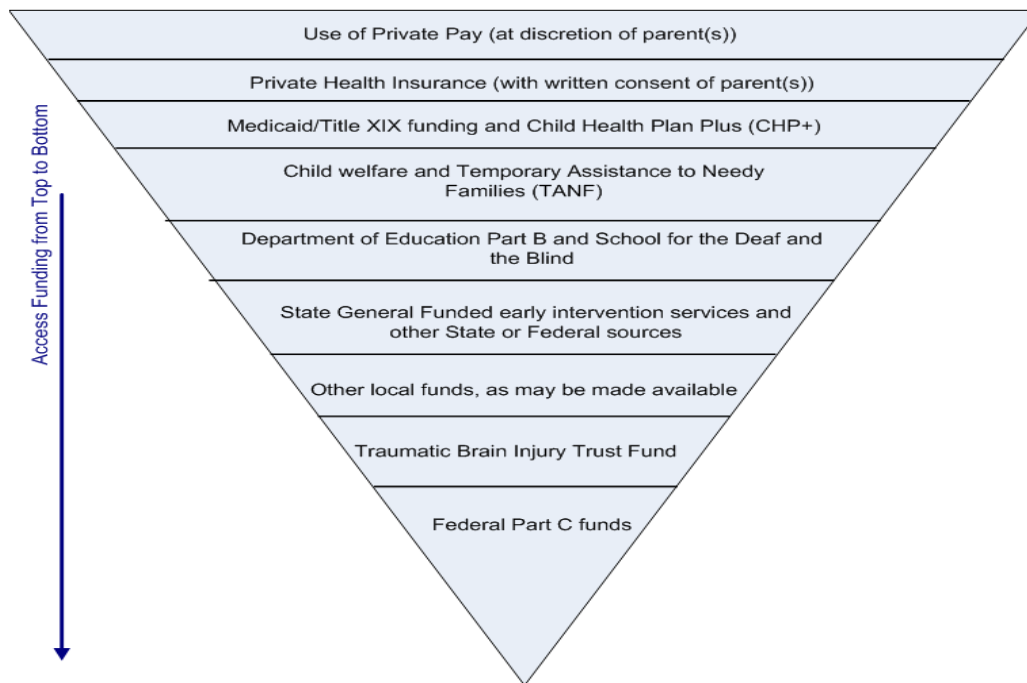
The CSP legislation provides for a coordinated system of payment for EI services for eligible infants and toddlers in an effort to ensure all available funding sources are utilized and to coordinate and streamline the administrative procedures. Funding for EI services usually comes from State General funds, Federal Part C funds, Medicaid State Plan benefits, Child Health Plan Plus (CHP+), Private Health Insurance and other sources.

The Colorado Department of Human Services, Division for Developmental Disabilities (DDD) assures the identification and coordination of all available resources for EI services within the state, including those from Federal, State, local and private funding sources.

Implementing the Funding Hierarchy

During the IFSP development process, the service coordinator is responsible to facilitate discussion among the IFSP team members regarding available funding sources to pay for needed EI services documented in the IFSP. A funding hierarchy is followed to ensure appropriate payment for those services so that Colorado can use its limited State and Federal funds to pay for EI services only when other funds are not available to a family.

COORDINATED SYSTEM OF PAYMENT: FUNDING HIERARCHY



Multiple EI services can be funded from different funding sources at the same time (e.g., Occupational Therapy (OT) paid by Private Health Insurance, and Developmental Intervention (DI) services paid by State funds), however, multiple funding sources cannot duplicate payment for the same services. Additionally, State and Federal funds cannot be used to subsidize a low reimbursement rate from another funding source. State or Federal funds can be used to provide a necessary part of an EI service that is not provided or allowed to be paid for by the primary funding source.

Funding Hierarchy Levels:

Use of Private Pay

- Families can voluntarily contribute to the cost of the EI services. The amount they wish to contribute towards the cost of the services must be noted in the IFSP on the *Supports and Services* page.

Private Insurance Plans

- A family may agree to have EI services paid for by their Private Health Insurance plan. The process for billing Private Health Insurance plans will vary depending on whether the Private Health Insurance plan is a qualified plan under C.R.S. 10-16-104(1.3) (qualified Health Plan) or not.

- Qualifying Health Plans are required to “provide coverage for early intervention services delivered by a qualified early intervention service provider to an eligible child. Early intervention services specified in an eligible child’s IFSP shall qualify as meeting the standard for medically necessary health care services as used by Private Health Insurance plans”. These services are paid for through a State Trust Fund. For more information see *TA Brief: Early Intervention State Trust Fund*.
- Non-qualifying Health Plans may reimburse for some EI services (e.g. OT, Physical Therapy (PT) and Speech Language Pathology (SLP)) for covered children from birth to age five for the “care and treatment of congenital defects or birth abnormalities”. Each family who has Private Health Insurance has a different insurance plan and each insurance plan offers different benefits (other than those required by State law). Under these plans, co-pays or payment toward deductibles may be required of the family. Families should be assisted and encouraged to understand their insurance benefits, not only for the purpose of helping to cover the costs of EI services, but to help them throughout the time that their child is covered by their insurance plan to access the benefits to which they are entitled.
- The family’s insurance should first be explored as an option for payment of EI services. Private Health Insurance will have many different restrictions, but the service coordinator should assist the family to determine whether the services identified on the IFSP could be paid for with insurance.

Public Insurance

- There are two public insurance programs in Colorado: Medicaid and CHP+. Both of these insurance programs are administered by HCPF. Medicaid has comprehensive benefits that can potentially cover many EI services. CHP+ has more limited benefits. An infant or toddler may be eligible for Medicaid because of their family’s income level or through a State Medicaid Waiver program.
- If a CCB has Medicaid qualified providers on staff, then the CCB could bill Medicaid for EI services on the IFSP. If a CCB is set up as a billing agent for other Medicaid qualified providers, they could then bill Medicaid on behalf of the provider. Private providers can also bill Medicaid directly. The services that are currently covered through Medicaid (generally OT, PT and SLP) must be determined to be medically necessary.
- For more information about the procedures to access CHP+ funding see the following directive memorandums: *Child Health Plan Plus (CHP+) Coverage for Early Intervention Services* (October 29, 2007) and *Child Health Plan Plus (CHP+) Coverage for Early Intervention Services UPDATE* (December 4, 2007). For general information about the Public Health Insurance programs in Colorado visit <http://www.colorado.gov/cs/Satellite/HCPF/HCPF/1197364086675>

Child Welfare and Temporary Assistance to Needy Families a.k.a. Colorado Works (TANF)

- Children in the Child Welfare system may have access to federal or county direct service dollars through Title IV-A or IV-B of the Social Security Act (work in collaboration with the family’s Case Manager at the County Department of Human Services). If the family is involved with either Child Welfare or TANF, the service coordinator should work in collaboration with the caseworker at the County Department of Human Services (DHS) to see if funds might be available to help pay for EI services needed by the child or family.
- If the family is not involved with Child Welfare but is an adoptive family, or at risk of Child Welfare involvement, the **Promoting Safe and Stable Families Program (PSSF)** might be an option. PSSF is guided and funded by the Federal Adoption and Safe Families Act, Title IV-B, Sub-Part 2. Local projects provide a variety of family preservation and family support services to families in times of need or crises. PSSF Projects in Colorado provide services in 34 counties and one Indian reservation. Projects are operated by local community-based agencies. They are designed based on the needs of their particular communities, and services vary from place to place in the state. This may cover support services and possibly clinical services as well, if the family is eligible. For a list of PSSF contacts visit: <http://www.cdhs.state.co.us/childwelfare/SafeAndStableFamilies.htm>.

Dept. of Education Part B and School for the Deaf and the Blind

- The **Colorado Home Intervention Program (CHIP)** serves infants and toddlers who are Deaf and Hard of Hearing in their own home. A CHIP facilitator works with the family to design an individualized program that fits both the family's needs and the child's learning style. The facilitator helps family members develop techniques to encourage development of their child's speech, language, and listening skills. Limited funding for this program is available through the CDE, School for the Deaf and Blind.

State General Funded Early Intervention Services and Other State or Federal Resources

- State appropriations for EI services are used to purchase EI services through contracts with twenty Community Centered Boards (CCBs). Funds administered by the CCB may be used to pay for services identified on an IFSP when there is no funding source higher on the funding hierarchy that can pay for the service(s).
- Mental health centers have funding from the state (other than Medicaid) to serve children with social emotional delays. Each mental health center now has an early childhood specialist who may be able to provide social emotional intervention services to children who are not enrolled in Medicaid. Some centers receive grant funds from other sources and may have additional programs available. For a list of the Mental Health Centers visit:
www.cdhs.state.co.us/dmh/directories_cmhc.htm.
- Tricare, the Federal insurance for military families, covers EI services. The Federal Interagency Coordinating Council has created a document entitled *Tricare and IDEA Part C: A Guide to Services*. This document addresses questions about the interface between the military health system and Part C of IDEA. This document is posted on the EI Colorado website within the Professionals Section, Funding Early Intervention Services link.

Other Local Funds, as may be made available

- Local funds from a variety of sources can be used to pay for EI services identified on an IFSP. Several counties in Colorado have obtained voter approval for local tax initiatives that are earmarked for services for people with developmental disabilities, including infants and toddlers with developmental delays. Other local private sources of funding include service organizations, donations, foundation grants, Friends of Man, the Red Cross and other local service and charitable organizations.

Traumatic Brain Injury (TBI) Trust Fund

- The TBI Trust Fund is for children who have received an injury to the brain caused by external physical force trauma and does not include congenital causation, degenerative diseases, surgical interventions or anoxia. This fund provides a variety of services for a maximum of one year. For more information about this fund visit: www.cdhs.state.co.us/tbi/childrenservices.htm.

Federal Part C Funding

- Under IDEA, Federal Part C funds can be used to pay for EI services that "are not otherwise funded through other public or private sources."

Use of Local, State and Federal Funds as an Interim Source of Payment

- If necessary, to prevent a delay in the timely provision of services and supports identified on an infant's or toddler's IFSP, local, state and Federal IDEA/Part C funds may be used to pay for services pending reimbursement for the services from the private or public insurance plan that has primary responsibility for payment for the services.

Early Intervention Service Brokers

To coordinate the local implementation of the CSP legislation, DDD is responsible for certifying Early Intervention Service Brokers across the state in each CCB service area.

Currently, CCBs are certified by DDD as EI Service Brokers and the CCB term is used interchangeably with EI Service Brokers throughout this document. CCBs provide a streamlined means to access payment from the appropriate funding source available to each child and make it easier for families to receive the services they need and for providers to be paid.

The functions of a CCB as EI Service Broker include:

- Establishing a registry of EI service providers in order to inform families of their choices and verify the qualifications of all providers with whom it contracts.
- Accepting and processing claims.
- Negotiating for payment of early intervention services.
- Ensuring payment for services rendered.
- Using procedures and forms determined by DDD to document the provision or purchase of early intervention services.
- Participating in ongoing reviews of funding practices.
- Providing DDD with information necessary for reporting purposes for the legislature or other funding sources.

There are numerous benefits for Private Health Insurance carriers to utilize the CCB as EI Service Broker:

- Private Health Insurance carriers must cover developmental intervention services for which there is no national credentialing in the medical field. By using a CCB, the Private Health Insurance carrier will be able to mitigate problems with credentialing of providers (i.e., CCB becomes a third party vendor, and then a Private Health Insurance carrier only has to credential one agency).
- A CCB can subcontract for the billing functions.
- A qualified Health Plan must pay for service coordination which is purchased through a CCB.

Frequently Asked Questions: EI Service Brokers

Is there a difference between providers on the registry and in-network providers?

The term “registry” is being used to differentiate from an insurance network of providers. There are differences in the purposes of each (e.g., credentialing, rate negotiation). A Private Health Insurance carrier must establish its own network of providers pursuant to State statute and rules that must be followed. A registry is to be established by a CCB specifically for the purposes of providing EI services. A qualified provider may be on both an insurance network and a registry.

How do early intervention service providers get onto the registry?

A provider may notify the CCB that they are available to provide services. The CCB must verify the provider's qualifications. If the family has a provider they would like to use who is not on the registry, the provider should notify the CCB and ask to be added to the registry. Since a provider registry is maintained for each of the twenty service areas across the state, a provider may be included in more than one registry.

Who negotiates the rates for the providers?

Currently, the CCB negotiates rates for the providers working within their service area.

Will the CCB be required to bill Private Health Insurance carrier?

This depends on the service being provided and the choice of the family for a provider.

- In-network providers may bill directly to an insurance plan when a child is insured by a Private Health Insurance carrier that is not regulated under C.R.S. 10-16-104(1.3).
- DDD will bill if a Private Health Insurance carrier is required to participate in the State Trust Fund

In either case, parent consent must be obtained to allow the CCB to bill Private Health Insurance for EI services.

Will the CCB be required to bill Public Health Insurance in addition to Private Health Insurance?

If a CCB has Medicaid qualified providers on staff, or is set up as a billing agent for other Medicaid qualified providers, then they would bill Medicaid. To date DDD has not negotiated any changes to the Medicaid State Plan for coverage of early intervention services so, the services that are currently covered (generally OT, PT and SLP) must be determined to be medically necessary. The legislation that was enacted only requires the two departments to determine what should be covered in the future and to submit a report to the General Assembly.

Procedures for billing CHP+ are outlined within the DDD directive memoranda *Child Health Plan Plus (CHP+) Coverage for Early Intervention Services* (October 29, 2007) and *Child Health Plan Plus (CHP+) Coverage for Early Intervention Services UPDATE* (December 4, 2007).

Required Forms to Document CSP Implementation Process

The following forms are required to be utilized by CCBs to document proper implementation of the CSP legislation and ensure all available funding sources are utilized when funding EI services outlined on an eligible child's IFSP. These forms must be added to the child's EI record, as appropriate.

- **Private Health Insurance Authorization Form** – is used by the CCB to notify a qualified Health Plan that an infant or toddler covered under the Private Health Insurance plan has been determined eligible for early intervention services. A copy of the IFSP should be sent with this form. This notice must occur within ten working days. This form must be signed by an authorized representative of the insurance company confirming that the plan is covered under C.R.S. 10-16-104 (1.3), and the child is eligible under the plan, and returned to the CCB within five working days.
- **Insurance Declination Form** – must be completed and submitted to DDD if the family declines to provide health insurance information to the EI Colorado program and/or was asked and could not or did not provide documentation from their insurer, or the family declined to give consent to access funding for a non-qualifying Health Plan. The completed form must be faxed (303-866-7680), or scanned and e-mailed (JoAnne.Dionese@state.co.us) to the DDD, EI Colorado office.
- **Insurance Exemption Form** – documents the specific system reason(s) insurance is not being accessed.
- **Trust Fund Transfer Form** – initiated by the sending CCB and finalized by the receiving CCB once the child has moved to a new CCB and is in services. This form must be sent to the Private Health Insurance carrier and to the State accounting office Nina.Douglass@state.co.us so that the State Trust Fund account information can be transferred to the new CCB. All billings from the sending CCB must be submitted no later than the last day of the month following the child's exit from the sending CCB.
- **Child Health Plan Plus (CHP+) Individualized Family Service Plan HMO Authorization Form** – is used by the CCB to notify the appropriate Health Maintenance Organization (HMO) in their service area that a child has been determined eligible for EI services. A copy of the IFSP should be sent with this form. Prior to sending information to the HMO, parent consent must be obtained. The HMO must verify coverage of the child, then authorize services and return this form to the above CCB within five working days of receipt of the request.
- **IFSP Services Denied by CHP+ HMO Form** – is used by the CCB to notify DDD of those EI Services listed on the IFSP that were not covered by the CHP+ HMO.

System Exceptions to the Use of Private or Public Health Insurance

The use of Private or Public Health Insurance will not be required in the following EI or health insurance system related circumstances:

- A non-qualified Health plan, denies coverage for the service, or the service as defined by the IFSP is not a covered benefit. A copy of the denial letter should be located within the child's EI record.
- There are no providers who contract with the insurance company for services specified on the IFSP.
- There are no local service providers who will provide the service(s) in accordance with the IFSP (e.g., in a natural environment or in the native language of the family, in instances where an interpreter is not appropriate or available).

The IFSP always takes precedent over the requirements of the funding source. If the insurance plan or the plan's approved service provider(s) will not provide the service(s) as specified on the IFSP in the home or community settings identified by the family as being their natural environment, it is appropriate to complete the *Insurance Exemption Form* documenting the specific system reason insurance is not being accessed and move to the next payment source on the funding hierarchy. This form must be located within the child's EI record.

Family Exceptions to the Use of Private or Public Insurance

The use of Private or Public Insurance may not occur for the following family related circumstances:

- The family's use of insurance would result in a decrease in lifetime coverage or any other benefit.
- The family's use of insurance would result in an increase in insurance premiums.
- The family's use of insurance would result in a discontinuation or limitation of the policy.
- The family does not provide consent for their private insurance to be accessed for payment.
- The family does not choose to provide insurance information to the EI system.
- The family cannot provide health insurance information.

An *Insurance Declination Form* must be completed and submitted to DDD if the family declines to provide health insurance information to the EI Colorado program and/or was asked and could not or did not provide documentation from their insurer, or the family declined to give consent to access funding for a non-qualifying Health Plan. The completed form must be faxed (303-866-7680), or scanned and e-mailed (JoAnne.Dionese@state.co.us) to the DDD, EI Colorado office. This form must be located within the child's EI record.

Steps in Determining the Funding Source for EI Services:

Step 1: Gather information about:

- The child's Public or Private Health Insurance coverage, including the name of the insurance carrier, the name of the insured, the subscriber ID and the policy or group number.
- The plan benefits and other criteria, including exclusions, co-payment and deductible amounts, prior authorization requirements and list of approved providers.
- An *Insurance Declination Form* must be completed and submitted to the DDD if consent to access insurance is not given.

Step 2: Help the family apply for public health insurance benefits

If the family does not have Private or Public Health Insurance, assist the family with the necessary forms, if appropriate, to apply for Public Health Insurance benefits.

Step 3: Determine the funding source

- Follow the IFSP development process.
- When the team has agreed on the Plan of Action and identified the needed services and supports, determine the appropriate funding source for each service.

- Use the insurance information that has been gathered to determine if Private or Public Health Insurance can be used to pay for any or all of the services on the IFSP. Remember that Private or Public Health Insurance will be used as the payment source only if the insurance will pay for the service as it is described on the IFSP (i.e., in home or community settings unless the IFSP justifies otherwise).
- If Private or Public Health Insurance can be utilized for some or all of the services on the IFSP, identify the person or agency that will assist the family in accessing the service(s) and follow the requirements as outlined in the insurance plan for prior approvals, etc. Remember that non-qualifying Health plan benefits may be limited in terms of number of sessions so the provider identified to provide the service should also be approved to bill other funding sources (e.g., Local, State or Federal Part C funds) to assure continuity of service provision once any insurance limit has been reached;
- If the family has Private or Public Health Insurance and the insurance plan cannot be utilized to pay for the services on the IFSP due to a system reason, complete the *Insurance Exemption Form* to document why the Private or Public Health Insurance could not be used and determine the next appropriate funding source from the funding hierarchy.

Service Coordinator Key Talking Points

The service coordinator plays a key role in ensuring parents and legal guardians understand that for families whose children are enrolled in Private or Public Health Insurance, the use of those benefits for any and/or all EI services that are identified in a child’s IFSP must be considered prior to the use of any other public funding sources. Below are some key talking points that should be conveyed to families when discussing the ways EI services are funded within EI Colorado.

Qualifying Health Plan – State Trust Fund

These insurance plans are regulated by C.R.S. 10-16-104 (1.3) and obligated by the CSP legislation to cover EI services. This legislation includes the following protections:

- Parent(s) will not have to pay co-pays.
- Parent(s) do not need to meet an annual deductible before EI services will be paid for in full.
- The EI services that are paid for by a qualifying Health Plan are not included in the total annual or lifetime benefit maximums.
- Once the qualified Health Plan pays the total required amount for EI services each year, parent(s) still will not have to pay for these services.
- Qualified Health Plans cannot terminate coverage, refuse to deliver services, or fail to renew coverage as a result of a child accessing benefits for EI services.

Completion of the *Private Health Insurance Authorization Form* will allow EI Colorado to access the health insurance benefits for EI services.

An *Insurance Declination Form* must be completed and submitted to the DDD if the family refuses to or cannot provide health insurance information to the EI Colorado program.

Non-Qualifying Health Plan

Some insurance plans that are not regulated under C.R.S. 10-16-104(1.3) (i.e. self-funded by employer or out-of-state employer or individual plan) may reimburse for some early intervention services (e.g. OT, PT and SLP) for covered children from birth to age five for the “care and treatment of congenital defects or birth abnormalities”.

- Depending on the benefits outlined in the health insurance policy, some or all of a child’s EI services may be covered.
- If parent(s) choose, arrangements can be made to cover any co-pays or deductibles that are required by their Private Health Insurance plan. (Unless the co-pays or deductibles are more costly than utilizing other local, State or Federal funding.)
- Consent must be signed to allow EI Colorado to bill for EI services.
- An *Insurance Declination Form* must be completed and submitted to the DDD if consent to access insurance is not given.

Public Health Insurance Plan

There are two Public Health Insurance programs in Colorado: Medicaid and CHP+.

- Public Health Insurance can be used to pay for most services, as well as funding for service coordination through Targeted Case Management (TCM).
- Consent must be signed to allow EI Colorado to access Medicaid or CHP+ for early intervention services.
- An *Insurance Declination Form* must be completed and submitted to DDD if consent to access insurance is not given.

No Health Insurance Plan

Families who do not have insurance benefits and for whom there is a reasonable probability that they or their child would qualify for Public Health Insurance based on income and assets or through a State Medicaid Waiver program should be encouraged to apply. It will be beneficial for the child to have access to the medical benefits provided by Public Health Insurance. Other public funds should be used to assure the prompt provision of the services on the IFSP until the application for Public Health Insurance has been approved or denied. The service coordinator should assist families in accessing information regarding eligibility criteria and the application process for Public Health Insurance, such as Medicaid or CHP+.

Frequently Asked Questions: Implementing the Funding Hierarchy

What if a parent refuses to provide information about their health insurance plan?

It is unlikely that a parent will refuse to provide the required information about insurance if the importance of ensuring all available funding sources are utilized is fully explained in an understandable way. *The Funding Early Intervention Services: A Family Guide* brochure provides an easy to understand explanation of how EI services are paid for within the EI Colorado program.

A family *cannot* be prohibited from participating in EI services based on a parent's refusal to provide insurance information. If a parent refuses to provide insurance information, the service coordinator should review the service coordinator key talking points outlined earlier in the brief according to the family's circumstance. If the parent continues to refuse, the parent should be informed that the CCB is required to notify the State Department of Human Services, DDD, EI Colorado of the parent's refusal or inability to provide Public or Private Health Insurance information using the *Insurance Declination Form*. The completed form must be faxed (303-866-7680), or scanned and e-mailed (JoAnne.Dionese@state.co.us) to the DDD, EI Colorado office. This form must be located within the child's EI record.

If the parent refuses to use their child's Medicaid or CHP+ Health Insurance benefit to pay for the EI services identified on the IFSP, can they be denied access to other public funding sources for those services?

No. Medicaid is a publicly funded insurance program intended to provide the benefits for which the child is eligible and every effort must be made to utilize Medicaid or CHP+ before accessing other sources of public funding.

If the co-pay or deductible for Private Health Insurance is more costly than using other sources of public funding, is it still a requirement that the Private Insurance be utilized?

No. The purpose of the funding hierarchy is to maximize the use of all public and private funding sources. If the use of Private Health Insurance is more costly to the public system than not using the insurance, then other funding sources should be utilized.

Is the parent required to provide a denial letter from their Private Health Insurance carrier in order to access public funding for services?

A letter of denial must be provided in order to access Public Health Insurance (e.g., Medicaid or CHP+). A letter of denial is not required to utilize other public funding sources. However, a denial letter is useful in order to initiate an appeals process with the insurance company. In any case, services on the IFSP must be provided in a timely manner and should be paid for with public funds if there is a delay in obtaining an approval or denial from the insurance company.

How are EI services funded when a Medicaid Waiver as well as Private Health Insurance covers a child?

Private Health Insurance is always considered the first payor for services. In order for Medicaid to cover a child's EI services when the child is also covered by Private Health Insurance, the insurance carrier must deny coverage of the services. Once denial of coverage is received from the Private Health Insurance carrier, the denial is forwarded to Medicaid with the request for Medicaid coverage of the services.

What will happen when the Private Health Insurance benefit is fully expended?

When the benefits for EI services within a Private Health Insurance plan have been reached the next appropriate funding source available to pay for the services recommended in the child's IFSP should be accessed.

Can a child receive services funded by Medicaid from more than one provider?

Yes, as long as the services are not the same.

If, at the time of an IFSP review, there is a change in circumstances and a new funding source is identified that would necessitate a change in service provider, is it required that the new funding source be utilized?

No. The family should not be required to disrupt the continuity of services or service providers. However, if the IFSP team determines that a different service is needed or the family is interested in changing to a different service provider, then the new funding source should be utilized.

Natural Environments and the Funding Hierarchy

What if a parent chooses to pay for services privately in a clinic setting? Is the EI system still responsible to pay for services on the IFSP that are in the home?

Yes. Families can choose to use their own resources to pay for any service that they decide would be beneficial. The IFSP process is used to identify the services that a child needs in the child and family's natural environment and the EI system is responsible for finding a funding source to pay for those IFSP services unless the family declines the service.

If a child is receiving a service in both a clinic setting and a natural environment, can two funding sources be listed on the IFSP as paying for the same service? For example, PT services provided in a clinic are billed to insurance while the home-based PT services are paid by public funds and each are working on different goals? Or, is a situation like this considered duplication?

Depending on the individual circumstances, a service provided in two different environments may or may not be considered duplication. A child receiving a service in two different settings (clinic and home) should have adequate justification in the IFSP to demonstrate the need for services in both locations. If a family chooses to receive a service in a clinic and the IFSP team feels that services in the natural environments could meet the needs and address the outcomes established, the family should then choose which services they feel would best meet their needs. This means that if there is not adequate justification for services in both locations, the family will need to choose one. In cases where the family chooses not to access EI services recommended by the IFSP team and access clinic based services instead, the service coordinator will need to complete the *Declining Early Intervention Services Form* to document the specific EI service that is being declined and/or the family's choice to not participate in the EI program. This form must be located within the child's EI record.

If an IFSP team recommends OT using Hippotherapy as the method due to evidence that progress has not been reached through other more typical methods, can this service be covered with public funds?

If the IFSP team feels that the outcomes in the IFSP are not being completely reached through the provision of OT services in the family's home or other natural environment and the team feels that using the method of Hippotherapy to provide the OT may increase the success towards those outcomes, then the team could use this information as justification in the IFSP to provide the service in a setting other than a natural environment. The team would be required to complete the justification page in the IFSP form and indicate how long they recommend trying the service using this method and then discuss results/progress ongoing to determine if this strategy and method are producing the appropriate results and whether the services can be transitioned into a natural environment. OT would be the service listed in the IFSP and the method for delivery would be Hippotherapy.

Frequently Asked Questions: Billing

How should interpreters for therapy services be paid? Where should this funding come from in local budgets and how should this be tracked?

Interpreter services are an important and necessary support for some infants, toddlers and families in order for the EI service to be effective, however, interpreter services are not a stand alone EI service (e.g., there is not a separate billing category). For example, if a child is receiving PT and an interpreter is needed during the PT sessions, these costs, in combination, would be considered the total cost of the PT service. This combined cost may utilize more than one funding source. The funding hierarchy should be applied to the decision of payment for these costs.

In order to use Federal Part C funds, interpreter services must not be available from any other source.

Can CCBs reimburse families directly for transportation costs, respite care and co-pays for EI services?

Yes, but the funding sources may vary. A CCB can reimburse a family for costs incurred in the following circumstances, as identified in the IFSP:

- Obtaining transportation that enables a family to participate in other EI services.
- Respite care for the eligible infant or toddler to enable a family to participate in EI services.
- Co-pays or deductibles for allowable EI services included on the IFSP that are being billed to insurance.

In order to use public funds to cover co-pays and deductibles, the service must be one of the approved services for that funding source. The CCB should ensure that there is adequate documentation to support the use of state EI direct service dollars for these purposes. *State General Funds cannot be used for respite or transportation.* If a CCB has a policy that restricts reimbursement to families, there must be a system for paying for the allowable services when it is appropriate and necessary for an individual child and family.

Can the CCB use public funds to pay for a provider to participate in transdisciplinary teaming for a specific child(ren) that in not during the face-to-face intervention with the child?

Yes. For example, a PT is part of a transdisciplinary team that serves a child with complex needs. The PT, a private contractor, bills Medicaid for the therapy he/she provides to the child. The team meets twice a month at the CCB to coordinate their service delivery for the child and others on their transdisciplinary caseload. The teaming time is noted on the IFSP as one of the methods used to deliver the service. The CCB may use Federal Part C funds to pay the PT a negotiated amount/rate for the specific time that he/she is involved in the transdisciplinary teaming for the child(ren) on his/her caseload.

Can a provider bill the CCB for time spent in an IFSP meeting even if the provider is not working with the child and family during that time?

Yes. If the provider attends the IFSP meeting and participates in the development of the IFSP/Transition Plan, the provider can bill for that time because it is considered to be a part of the determination of service needs.

Can public funds be used to pay for EI services delivered by a paraprofessional such as PT assistant or OT assistant?

Yes, both State and Federal funds can be used to pay for services provided by a paraprofessional based on the approved services for those funds. However, the supports and service page of the IFSP must include appropriate supervision strategies for the delivery of those services based on the requirements of the appropriate credentialing organization for that discipline.

Can the CCB or the contract provider bill Medicaid or Private Health Insurance for the time for direct service delivery of an allowable EI service and also use State or Federal funds to pay the therapist for travel time?

Yes. State and Federal funds can be used for reimbursement of travel time when billing Medicaid or Private Health Insurance. Generally providers' travel time is included in their negotiated hourly rate. However, in situations where providers are being asked to travel significant distances, the CCB may negotiate a rate for travel time using state or Federal dollars. This would be considered a related cost aligned with the service, just as interpretation services are noted.

Can the CCB pay EI providers for appointments missed due to a family issue (e.g., last minute cancellation or no-show)?

The decision to compensate providers based on a no-show or a family cancellation depends on the contract agreement between the CCB and the EI provider.

NOTES

All state approved documents and forms referenced within these procedures are posted on the EI Colorado website (www.eicolorado.org) within the documents section, forms (State approved) link.