

## Update on the CQI Workgroup on Part C Fees and Ability to Pay

“Issues related to family fees for early intervention services is a priority for DMHMRSAS. At the November 16, 1999 meeting of HJR 725, families shared concerns regarding issues with Part C fees and ability to pay mechanisms. Several key issues included inconsistent fees and ability to pay procedures, fees that exceed third party reimbursement rates, fees that impact on accessing some or all early intervention services, and fees that significantly impact families’ lives.

- C Fees for early intervention services were established at the local level based upon multiple state agency policies. This has resulted in a lack of consistent statewide procedures for determining reasonable family fees. This fact appears to have contributed to fee issues identified by families.
  
- C In response to these issues, DMHMRSAS convened a work group to fully analyze federal Part C requirements and existing state policies and procedures related to fees. The work group has made the following preliminary recommendations:
  1. exploring the use of a statewide sliding fee scale which will include the analysis of family income and utilization data as well as financial impact;
  2. developing consistent procedures for determining family fees (e.g., fee appeal process);
  3. determining which Part C services must be consistently charged for across all public and private agencies including analysis of the financial impact; and
  4. analyzing the application of insurance regulations to a statewide sliding fee scale.
  
- The work group will meet on a regular basis and will be expanded to include families, providers, and other state agency representatives to determine solutions and analyze the potential impact on the Commonwealth.
- DMHMRSAS is committed to resolving issues associated with family fees in a timely manner and has targeted completion of any necessary policy and procedure changes by April 30, 2000. The impact of any policy and procedure changes will be analyzed in localities and public input will be solicited. Substantive policy and procedure changes must be approved by the U.S. Department of Education. Therefore, implementation of any changes is targeted for October 1, 2000.”

*– Update on the Implementation of Part C of the Individuals with Disabilities Education Act (prepared for the Joint Subcommittee Studying Early Intervention for Infants and Toddlers with Disabilities [HJR 725], and presented by Commissioner Richard E. Kellogg), December 11, 1999, page 7.*

The CQI Workgroup on Part C Fees and Ability to Pay has met a total of 8 times from January 11, 2000 through May 18, 2000. Activities of the workgroup include the following:

- analyzed the federal Part C requirements, the Code of Virginia, DMHMRSAS State Board policies, Virginia’s Policies and Procedures for Part C, and Medicaid regulations that govern Part C fees for services.

- reviewed information about policies and procedures from Connecticut, Utah, Illinois including statewide fee scales from other states and other Virginia agencies
- analyzed policies and procedures, sliding fee scales, and ability to pay mechanisms from local boards
- collected information about median income projections
- collected private providers' fee scales and ability-to-pay mechanisms
- collected sample of information families are given (fee agreements, financial intake forms, etc.) about fees and when, for example, families are given information about appeals
- developed and wrote principles to guide the development of the workgroup's products.
- developed three hypothetical fee scales.
- developed survey tools to collect data about revenue generated by family fees for private providers.

The workgroup is in the midst of:

- developing consistent procedures for determining family fees, standardized financial forms and information for families, and determining which Part C services must consistently be charged across all public and private agencies.
- exploring the use of statewide fee scales, which will include an analysis of the financial impact the fee scales will have on local boards and providers. To that end, the workgroup has collected DMHMRSAS reimbursement procedures and sample CSB procedures, developed hypothetical fee scales for analysis for analysis of impact on families, collected information about CSB revenue from CSB performance contracts, and requested the Department of Health and the Department of Social Services to update revenue data from the 1998 study. The workgroup is finalizing analysis of the possible fiscal impact of the proposed hypothetical fee scales on local boards.
- collecting family revenue data from private providers. The data will be analyzed to determine the possible impact of the three hypothetical fee scales on private providers' revenue.

Representatives from the Early Intervention Management Team and the VICC ATP workgroup participate on the CQI-ATP workgroup and assisted in developing principles supporting preliminary recommendations, standardized procedures and the review and analysis of fees in the Part C system. The Early Intervention Agency Committee reviewed and commented on the Guiding Principles. The Early Intervention Management Team plans an Early Intervention Agency Committee meeting in July to

review preliminary recommendations.