



**TENNESSEE'S EARLY INTERVENTION SYSTEM
IDEA PART C SYSTEM OF PAYMENTS POLICY
Effective July 1, 2012**

I. Purpose

1. The Individuals with Disabilities Education Act (IDEA) Part C at 20 U.S.C. §1435(a)(10)(A) and §1440 and 34 C.F.R. §303.510 through §521 requires States to use Federal IDEA Part C funds as a payor of last resort and to identify and coordinate all available funding resources to pay for Part C services. The IDEA at 20 U.S.C. §1432(4)(B) and 34 C.F.R. §303.520 through §521 requires Part C services to be provided at no cost unless a state has adopted a system of payments for Part C services, which system can include use of public benefits or insurance or private insurance. A system of payments is the state's written policy regarding the costs parents and children may incur for receipt of Part C services and may include use of public or private insurance.
2. Part C of the Individuals with Disabilities Education Act (IDEA) requires that some services, including evaluation and assessment, development of the Individualized Family Service Plan (IFSP), and service coordination, be provided at no charge to parents and children. All additional early intervention services are subject to a state's system of payments.
3. Tennessee's Early Intervention System (TEIS) has established a system of payment policy to ensure that supports and services are provided in a way that will not create a financial hardship for parents and children. The purpose of the policy is to use other available primary payor sources without charging fees to parents and children for Part C services. The policy involves the use of private insurance, TennCare (Medicaid) and other government benefits to pay for Part C supports and services.
4. Families entering the Part C system will be provided information about the policy and the procedures that apply to their situation. Eligible parents and children will be responsible for following all system of payment requirements in accordance with the policy and procedures. Parents who do not abide by the policies and procedures will be financially responsible for payment for services rendered.

II. Definitions

1. *Ability to pay* means that a parent has public benefits or insurance or private insurance that may be used to pay for IDEA Part C services. (Authority: 34 C.F.R. §303.521(a)(3))
2. *Core services* means functions that must be carried out at public expense, and for which no costs may be charged to parents and includes:
 - (a) Implementing the child find requirements in 34 C.F.R. §§ 303.301 through 303.303;

- (b) Evaluation and assessment, in accordance with 34 C.F.R. § 303.320, and the functions related to evaluation and assessment in 34 C.F.R. § 303.13(b);
- (c) Service coordination services, as defined in 34 C.F.R. §§ 303.13(b)(11) and 303.33;
- (d) Administrative and coordinative activities related to—
 - (i) The development, review, and evaluation of IFSPs and interim IFSPs in accordance with 34 C.F.R. §§ 303.342 through 303.345; and
 - (ii) Implementation of the procedural safeguards in accordance with 34 C.F.R. §§303.431 through 303.434 and 34 C.F.R. §§303.440 through 303.449.

(Authority: 34 C.F.R. §303.521(b))

3. *Costs of participation* means insurance deductibles, copayments or similar out-of-pocket costs, for which a parent may be responsible through the use of public benefits and insurance or private insurance. (Authority: 34 C.F.R. §303.521(a)(1))
4. *Inability to pay* means that a parent either has public benefits or insurance or private insurance that may be used to pay for IDEA Part C services and has denied access to such benefits or insurance, the parent is not eligible for such benefits or insurance, or the parent refuses to apply for such benefits. (Authority: 34 C.F.R. §303.521(a)(3))
5. *Private insurance* means individual and group plans and programs administered through a commercial insurance company or self-insurance plan. (Authority: 34 C.F.R. §303.520(b))
6. *Public benefits or insurance* means plans and programs administered through the Bureau of TennCare, any other Tennessee Medicaid programs or any other available government benefits or insurance. (Authority: 34 C.F.R. §303.520(a))
7. *Services* means all early intervention services, as defined at 34 C.F.R. §303.13(b), other than core services. Services other than core services are subject to the system of payments. (Authority: 34 C.F.R. §303.13)

III. Determination of Ability or Inability to Pay

1. Ability or inability to pay is determined by the availability or unavailability of public benefits or insurance or private insurance that may be used to pay for IDEA Part C services.
2. Parents must notify their service coordinator and service provider immediately of insurance changes.
3. Any services not rendered as a result of a family-directed service disruption will not be subject to compensatory services.
(Authority: 34 C.F.R. §303.521(a)(3))

IV. Assurances

1. Parents will not be charged for the core services that a child is otherwise entitled to receive at no cost.

2. Inability of parents to pay for services will not result in a delay or denial of services to the child or the child's parents and all part C services will be provided at no cost.
3. Parents will not be charged any more than the actual cost of the part C service.
4. Parents with public insurance or benefits or private insurance will not be charged disproportionately more than families who do not have public insurance or benefits or private insurance.
(Authority: 34 C.F.R. §303.521(a)(4))

V. Participation

1. TEIS may use Part C funds to pay for costs of participation, such as insurance premiums, deductibles, or co-payments, which parents may incur through the use of public benefits or insurance or private insurance.
(Authority: 34 C.F.R. §303.521(a)(6))

VI. Initial Evaluation

1. An initial evaluation is an evaluation to determine a child's initial eligibility for Part C services. An initial evaluation is a core service that must be carried out at public expense and for which no costs may be charged to parents.
2. TEIS is not required to make services available to a child unless a determination of initial eligibility is made.
3. Evaluations for additional services must be addressed at the initial IFSP meeting, or subsequent IFSP meetings, as such evaluations are not core services and Part C funds may not be used for such evaluations.
4. Initial evaluations are limited to two (2) hours duration.
5. Completed evaluation reports must be submitted to the child's service coordinator.
(Authority: 34 C.F.R. §§303.320(c)(2); 303.321(a)(2)(i) and 303.521(b))

VII. In-Network or Preferred Providers

1. Services must be placed with a "preferred" or an "in-network" provider for the particular insurance company.
2. Any exceptions must be approved in advance in writing by TEIS with copy to the Central Reimbursement Office.
3. Service coordinators may contact the insurance company to determine whether a particular provider is a "preferred" or "in-network" provider.

4. If a service is not covered by the insurance company regardless of the provider, then any provider may be used.
5. Documentation of such cases must be forwarded to the Central Reimbursement Office. Otherwise, a memorandum detailing the communication (telephone number called, person in company contacted, etc.) with the insurance company must be provided.
6. Lack of “preferred” or “in-network” providers cannot change the frequency or intensity of services in the child’s IFSP.
(Authority: 34 C.F.R. §§303.501 and 303.521)

VIII. Private Insurance

1. Parents without private insurance must be informed of the availability of public benefits and insurance.
(Authority: 20 U.S.C. §§1435(a)(10), 1437(a) and 1440 and 34 C.F.R. §§303.510 and 303.521)

IX. Payment for Services

1. All payments of Part C funds must be in accordance with the IFSP as it appears in Tennessee’s Early Intervention Data System (TEIDS). IFSP services for therapy will be limited to a total of fifty-two (52) sessions per twelve (12) month period per type of therapy service, with the exception of developmental therapy as defined by Tenn. Rules & Regs. Chapter 0520-1-10-.02.
(Authority: 34 C.F.R. §§303.501 and 303.521)

X. Interpreting Services

1. Interpreting services for purposes of child find are limited to two (2) hours duration to include intake, family assessment, eligibility evaluation and document preparation.
2. For all purposes other than child find, interpreting is a service to be agreed upon by the IFSP team.
(Authority: 34 C.F.R. §§303.501 and 303.521)

XI. Interruption of Services

1. TEIS will reimburse a provider for only one documented “no show” per service, per child, per calendar month.
2. Two consecutive “no shows” will result in a suspension of the service pending an IFSP meeting to address services.
3. The choice of a parent to not receive services for any period of time is voluntary and all services that are refused, regardless of reason, will not be compensated or made available at a future date.
(Authority: 34 C.F.R. §§303.501 and 303.521)

XII. Termination of Services

1. Services end on the last day of the child's second year of age. Funds will not be used for services beyond the end of the child's second year of age.
(Authority: 34 C.F.R. §§303.21 and 303.521)

XIII. Assistive Technology

1. If a parent requests assistive technology and the IFSP team determines that it is not necessary to meet an outcome on the IFSP, or it is an item not on the list of eligible assistive technology services, the service coordinator must provide the family with a Prior Written Notice pursuant to 34 C.F.R. §303.421 refusing the parent's request.
2. A service coordinator may present a request, including all necessary information, for new or emerging assistive technology items that are not addressed on the list of eligible assistive technology for approval by TEIS administration.
3. When it is anticipated that more than one thousand (\$1,000) dollars of TEIS funds will be paid toward any single assistive technology item, prior approval must be obtained via the Central Reimbursement Office.
(Authority: 34 C.F.R. §§303.501 and 303.521)

XIV. Transportation

1. Transportation will be provided only when identified as necessary in the IFSP.
2. All necessary transportation for parents and children will be provided strictly via TEIS' agreement with the Tennessee Department of Transportation.
(Authority: 34 C.F.R. §§303.501 and 303.521)

XV. Procedural Safeguards

1. Parents who wish to contest the imposition of a participation cost, or the State's determination of the parent's ability to pay, may do one of the following:
 - (a) Participate in mediation in accordance with 34 C.F.R. § 303.431.
 - (b) Request a due process hearing under 34 C.F.R. § 303.441.
 - (c) File a State complaint under 34 C.F.R. § 303.434.
(Authority: 34 C.F.R. §303.521(e))