2023 ITCA Finance Survey Report

IDEA
INFANT & TODDLER
COORDINATORS ASSOCIATION

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Introduction

State IDEA Part C early intervention systems and their leadership continue to face challenges to their ability to provide high quality, evidence-based services to eligible infants and toddlers and their families. The challenges exist for many, not because of the lack of political will or the lack of evidence-based approaches to service delivery or the need for better cost-effectiveness data, but because of the continued lack of resources commensurate with the significant and growing early intervention needs of enrolled children and their families and the increasing number of potentially eligible infants and toddlers. Accordingly, each state has responded to the best of their ability and the resources available to them to provide high-quality services . Adding to the challenges, COVID-19 required states to respond to unique situations with creativity, keeping the service and safety needs of infants and toddlers, their families and their providers at the forefront.

Despite the essential and complex nature of financing and its influence on the ability to support all programmatic aspects of Part C, the information regarding the funding of Part C across states has been less than robust. In response to this gap in information, ITCA released the first comprehensive examination of the revenue sources used by states to support their early intervention system in 2010. ITCA determined that a survey was the most efficient method to examine both the infrastructure and the funding flow of the state/territories. The initial survey was designed to identify several key components of Part C financing:

1. Federal, state, and local funds that were being used by states to support their total Part C system;
2. The total amount of revenue that is generated by each fund source;
3. The total amount of revenue at federal, state, and local levels; and finally
4. The percentage of each federal, state, and local fund source contributing to the total cost of the system with a close look at the percentage represented by Part C federal funds.

Since 2010, ITCA has conducted the finance survey every two years on an ongoing basis. A finance survey was conducted in 2012, 2014, 2016, 2018, 2021 and now in the Spring of 2023. With each survey, questions are refined for more accurate information. The scope of the survey has also been broadened to address emerging fiscal issues.

The 2023 Finance Survey Report is focused on the following topical areas:

- Funding Sources across Federal, State and Local Levels;
- State Use of Public and Private Insurance including Family Cost Participation; and
- Fund Management.

In 2023, the report can be accessed as a whole or can be downloaded in sections to support ease of access.

As with all ITCA surveys, the data in this report are reported by frequency of state responses as well as by type of lead agency. The charts and tables in the report reflect the responses of those states who answered the questions. The "no responses" are excluded from the charts. All data is self-reported and is not validated. ITCA draws no conclusions from the data analysis but simply reports the data that has been submitted.

ITCA continues to prioritize fiscal issues as key to ensuring that all potentially eligible infants and toddlers are identified. This year, states were asked to identify their top three priorities related to finance. The following are the most frequently identified priorities.

1. Medicaid:
    a. Increase Medicaid revenue
    b. Expand coverage to all early intervention services under EPSDT
    c. Maximize Medicaid billing codes
2. Private Insurance:
    a. Increased use of private insurance
    b. Address reimbursement rate
    c. Strategies to address the use of private insurance
3. Fiscal Monitoring and Accountability
    a. Risk Assessment
    b. Internal Controls
    c. Creation of internal fiscal team
    d. Fiscal tracking and forecasting
4. Provider issues affected by fiscal policies
    a. Competitive Pay
    b. Rate/Cost Study
    c. Insufficient funding to recruit and retain local level staff

Key Findings

Fund Utilization

- Respondents identified fourteen specific federal fund sources, twelve state fund sources and nine local fund sources.
- The average number of fund sources accessed by respondents across all three funding levels was seven with a range of two fund sources to eighteen fund sources.
- Fourteen of the forty-six states and jurisdictions (30.5%) provided revenue for each fund source utilized.
- The total revenue that was reported across federal, state, and local levels to support the Part C systems was $3,945,518,108.
    - The total contribution from reported federal funds to Part C systems was $1,615,167,475. This represents 36% of total funding reported. All forty-six survey respondents reported federal revenue.
    - The total contribution from reported state funds to Part C systems was $1,932,499,211. This represents 51% of total funding reported. Thirty-nine survey respondents reported state revenue.
    - The total contribution from reported local funds to Part C systems was $397,851,422. This represents 13% of total funding reported. Eighteen survey respondents reported local revenue.
- Eighty-six percent of the reported Part C funding is provided by the following seven sources:
    - State General Funds: $944,577,777
    - State Part C Appropriation: $789,966,928
    - Medicaid: $682,978,397
    - Federal Part C: $454,549,975
    - Local Government: $197,597,089
    - Part C ARPA: $188,015,398
    - State Special Education: $129,997,102.

Public Insurance (Medicaid)

- Forty-four of the forty-six survey respondents provided information regarding Medicaid funding for administrative components and for direct services.
- Twenty-four states did not report the funding provided by Medicaid.
- *Of the states that could report, Medicaid funding totaled $682,978,397.*
- The median percentage of Part C children enrolled in Medicaid is 55.3% with a range from 8% to 95%.
- Fifteen states indicated that early intervention services are covered by all MCOs.
- Nineteen states reported that Medicaid and Part C were in the same state agency.

- Twenty-two states reported that Medicaid accepts the IFSP as the prior authorizing document.
- Seventeen states reported that a physician signature is not required on the IFSP to establish medical necessity.
- Twenty-seven states report that Medicaid requires that private insurance be billed before accessing Medicaid.
- Twenty-one states bill Medicaid for targeted case management.
- Thirteen states bill Medicaid on behalf of providers while twenty-five states require the provider to bill Medicaid.
- Thirty-seven states indicated they have a key contact in the state Medicaid office to help with resolving issues related to coverage or billing.

Private insurance

- Eighteen states reported they access private insurance.
- Twelve of the 18 states were able to provide information regarding funding received from insurance companies.
- *Of the states that could report, Private Insurance funding totaled $97,699,628.*
- The median percentage of children that have private insurance is 30% with a range of 13% to 40%.
- Thirteen states report they have insurance legislation that governs their use of private insurance for Part C services.
- Five states indicated that early intervention services are included in their state's definition of essential benefits under the Affordable Care Act.
- Twenty states have seen a decrease in private insurance revenue.

Family Fees

- Twelve states reported they have implemented a family fee.
- Ten of the twelve states were able to provide information regarding the revenue from family fees.
- Of the states that could report, family fee revenue totaled $13,701,658.

Fund Management

- Sixteen states responded that no funding for their Part C system is performance-based.
- Contracts were most frequently identified as the payment methodology for both infrastructure as well as direct services.
- Eleven states used subgrants to carry out activities authorized under Part C.
- The number of children served in the previous year and historic expenditure patterns were the most common variables used as variables for the allocation methodology used by states.
- Twenty-five states require all participating entities that receive funding for early intervention to report all revenue and expenses generated on behalf of early intervention.

- Fourteen states require a uniform financial report from all providers.
- Three states have a limit on the percentage that they will pay local providers for administrative costs. The maximum rates that were identified ranged from 5% to 25%.
- Eleven states indicated they had a maximum on indirect costs.
- All forty-two respondents use desk audits for fiscal monitoring. Twenty-three states conduct onsite reviews of agency finances, and twenty-one states conduct onsite reviews by child records.
- Non-profit agencies are the most frequently cited type of provider of early intervention services.
- Twenty-six states use a competitive process to award contracts/subgrants to service providers.
- Only one state has an agreement that allows provider agencies to keep some percentage of surplus earnings.
- Fourteen states reported that they have no restricted indirect cost rate.
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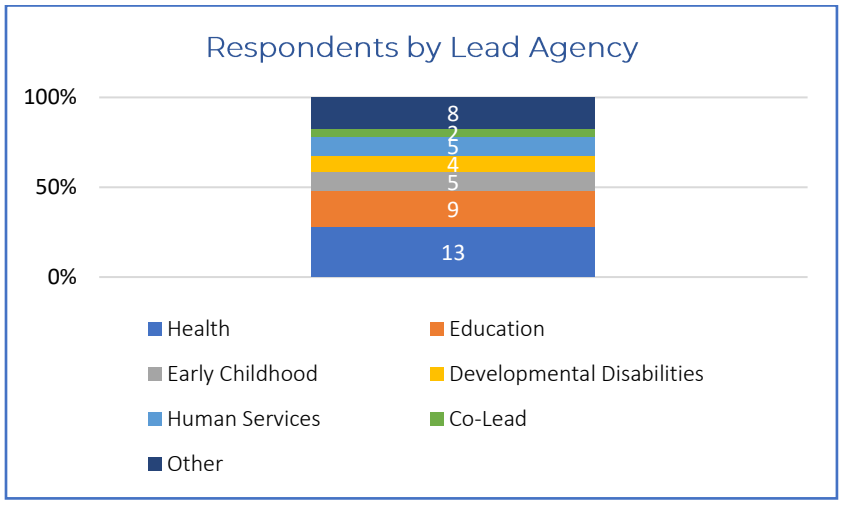
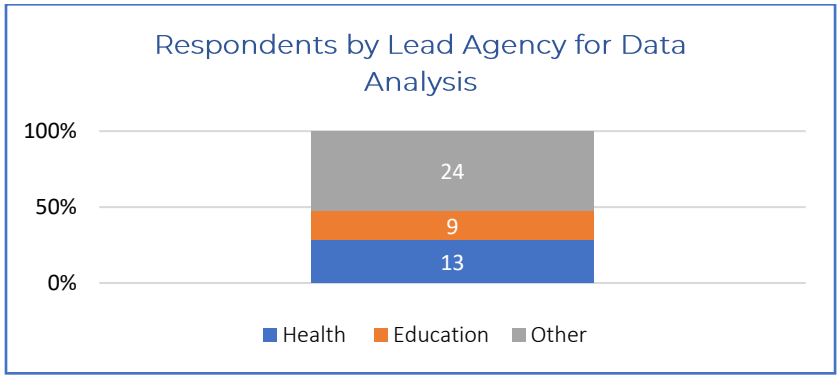
Demographics

The data provided in this report reflects the most current data available from forty-six of the fifty-six states and jurisdictions (referred to as states in the report). In 2020 ITCA expanded its lead agency categories at the request of members. The data in the demographics reflects the new categories. When analyzing data, the original three categories (Health, Education, Other) will be used to ensure the data remains de-identified. Thirteen states (28.3%) identified Health as their lead agency. Nine states (19.6%) identified Education as their lead agency. Five states (10.9%) reported that Early Childhood was their lead agency. Developmental Disabilities was the lead for four states (8.7%), Human Services is the lead for five states (10.9%), and eight states (17.4%) identified other as their choice. Other included Child Welfare, Executive Office of Health and Human Services, Rehabilitation Services, Health and Human Services and Mental Health and Developmental Disabilities.



For purpose of ongoing data analysis, the Lead Agency is designated as Health, Education and Other.



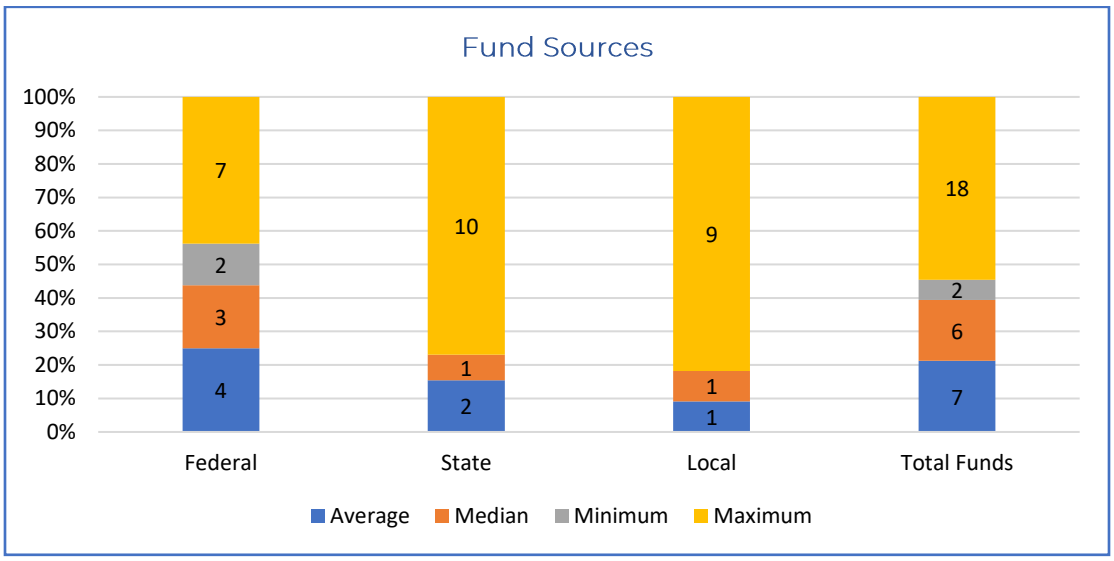
States Responding to the Survey

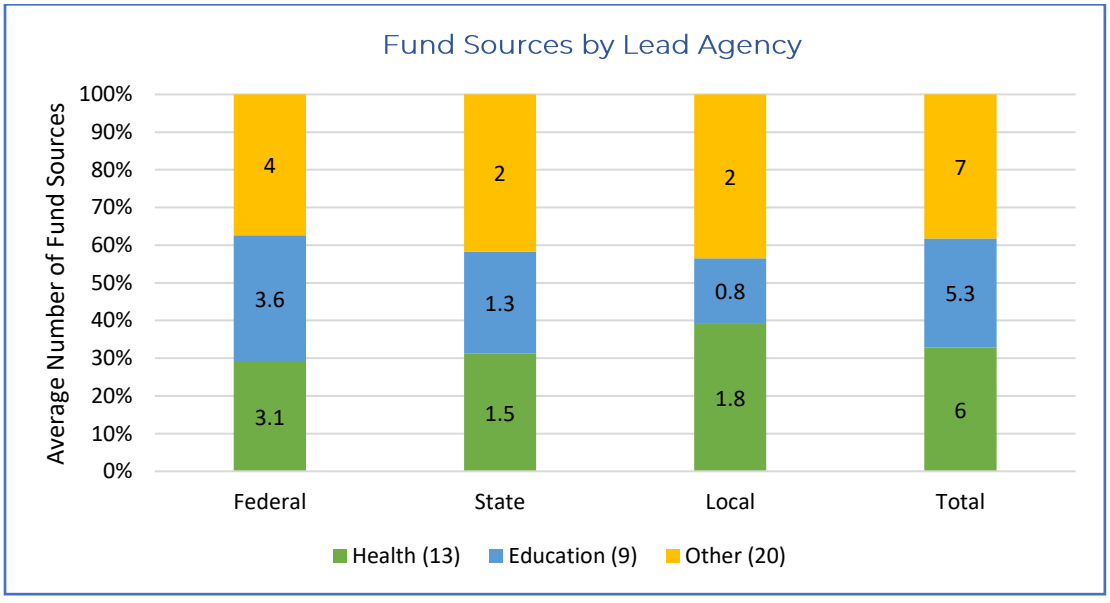
- Alabama
- Alaska
- Arizona
- Arkansas
- California
- Colorado
- Connecticut
- Delaware
- District of Columbia
- Florida
- Georgia
- Guam
- Hawaii
- Idaho
- Indiana
- Kansas
- Louisiana
- Maine
- Maryland
- Michigan
- Minnesota
- Missouri
- Montana
- Nebraska
- Nevada
- New Hampshire
- New Jersey
- New Mexico
- New York
- North Dakota
- Ohio
- Oklahoma
- Pennsylvania
- Puerto Rico
- Rhode Island
- South Carolina
- South Dakota
- Tennessee
- Texas
- Utah
- Vermont
- Virgin Islands
- Virginia
- Washington State
- Wisconsin
- Wyoming

Our thanks to these states that took time to complete the survey and provide important information that helps ITCA identify the challenges and opportunities of Part C financing.

Fund Source Utilization

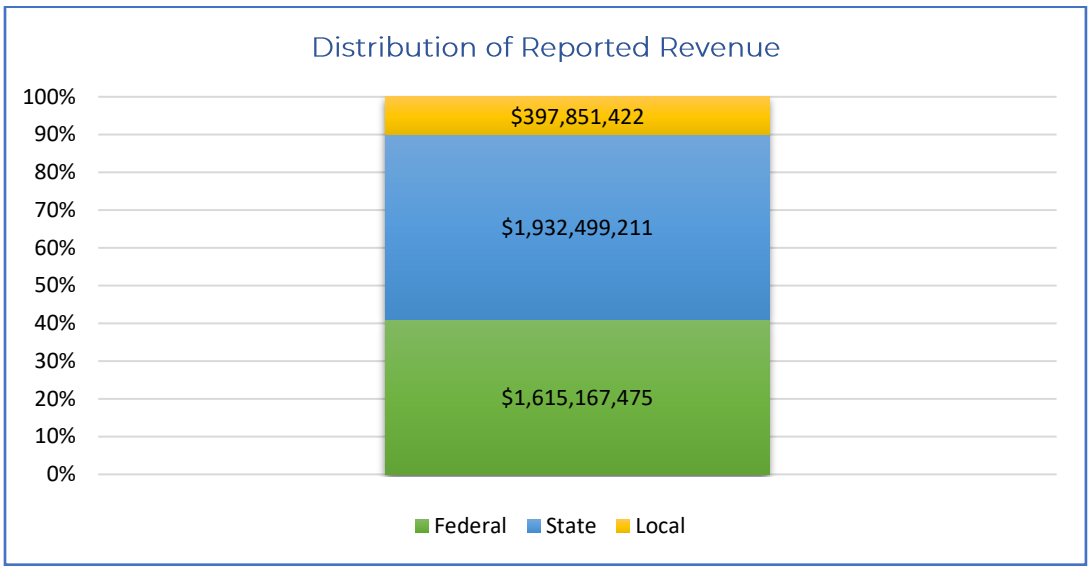
Respondents were asked to identify the federal, state, and local funds that were used to support both infrastructure and direct services. Respondents identified fourteen specific federal fund sources, twelve state fund sources and nine local fund sources.

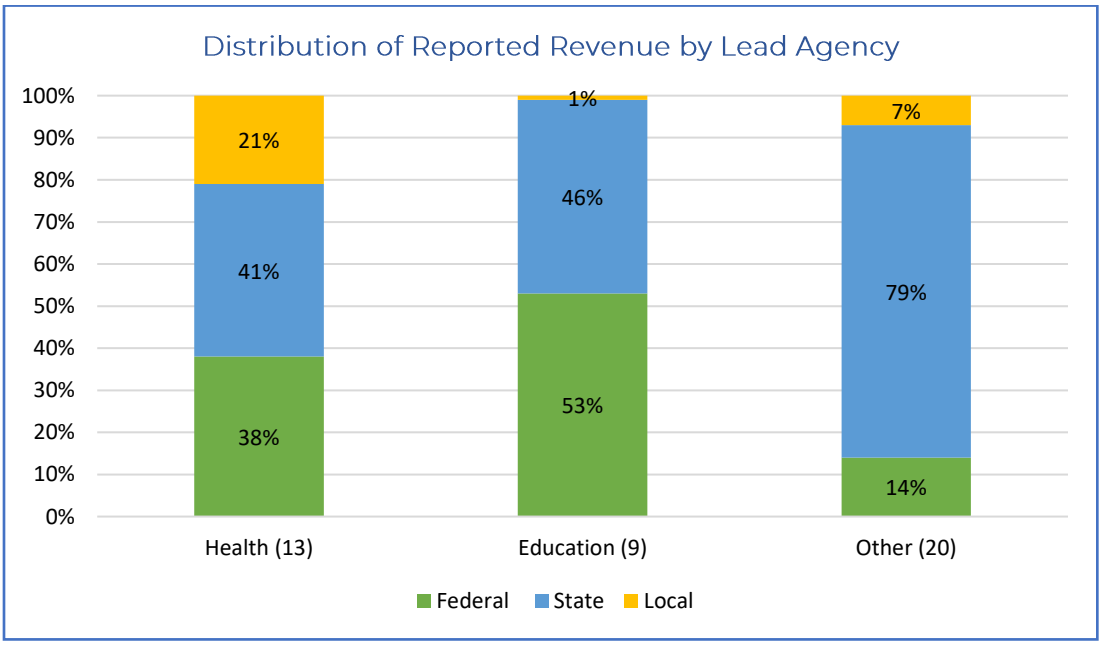




Funding Levels

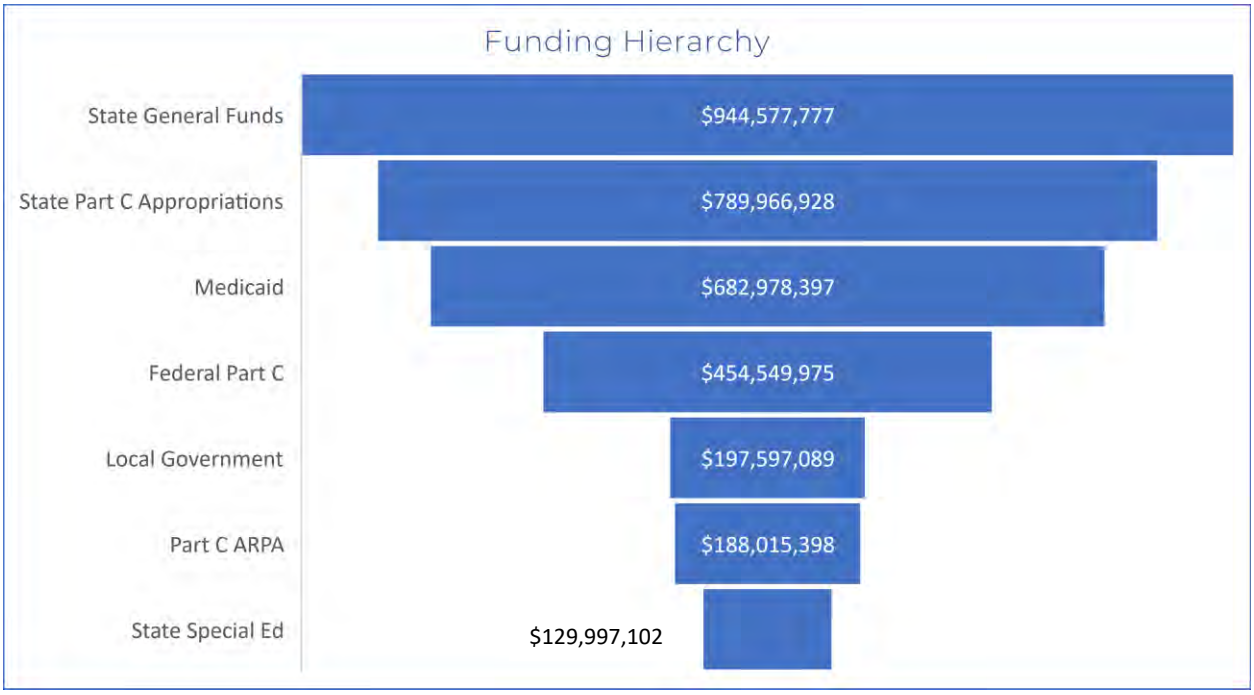
Respondents were asked to provide the revenue that was received to support both infrastructure and direct services for the fiscal year from July 1, 2021 through June 30, 2022. As reported above, not all states could provide the total amount of revenue by source. Of the revenue that was reported, there is a total of $3,945,518,108 supporting the Part C system. Federal funds represent 40.9% of the total funding reported. State funds represent 49% of the total funding, and local funds represent 10.1% of the total funding reported.





Remembering that Medicaid revenue is under-reported as a result of states not having access to that information, the single largest source of reported Part C funding is State General Funds followed by State Part C Appropriations (funds that are directly appropriated

to Part C by line item in the state budget). The chart below documents the revenue reported by states across federal, state, and local levels in the order of contribution. It is noteworthy that federal Part C funds account for only 12% of total funding reported and would be even lower if all revenue were reported.

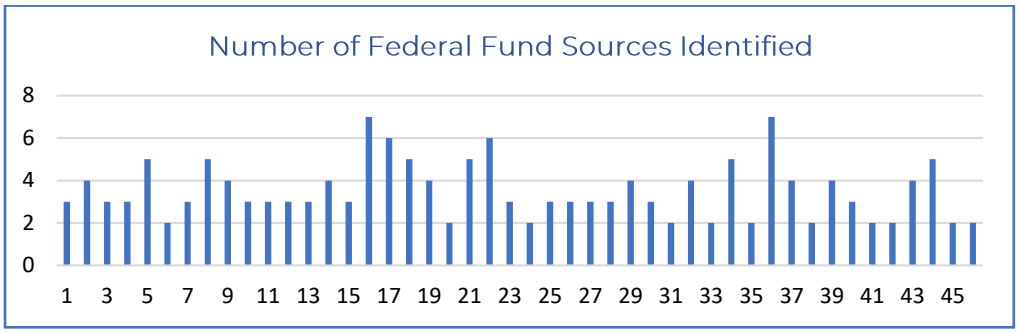


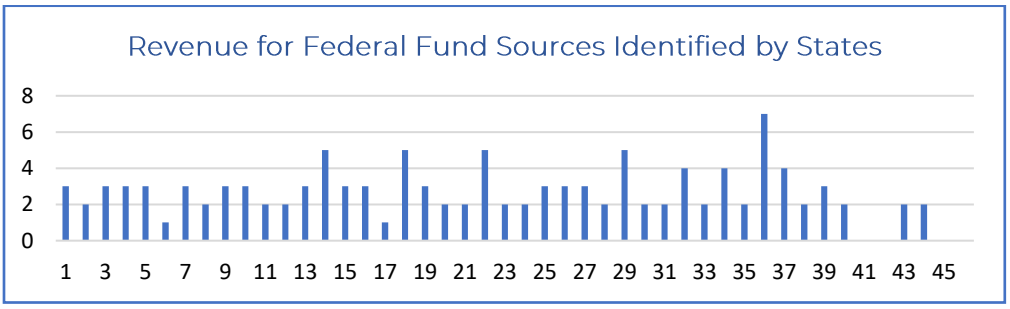
Federal Funds

The total contribution from reported federal funds to Part C systems was $1,615,167,475 which represents 40.9% of total funding reported. All forty-six survey respondents reported federal revenue. There were fourteen specific federal fund sources identified. The table below represents the number of federal fund sources that were identified by the forty-six survey respondents across infrastructure components and direct services.

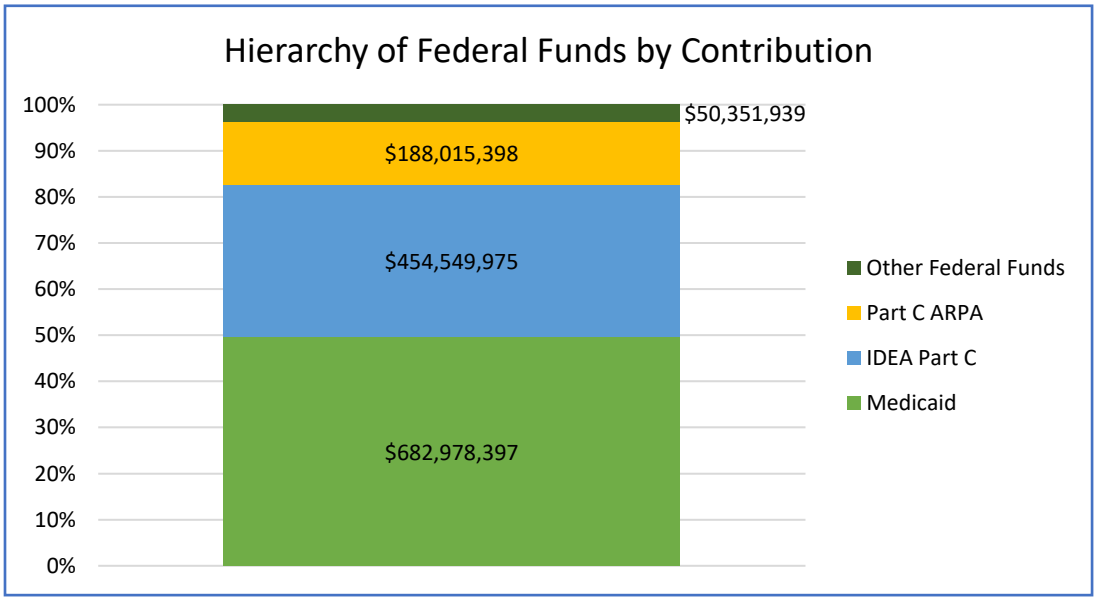
Federal Fund Use 46 Respondents	Part C	Part B, 619	Part B 611	Part D	Medicaid	SCHIP	Title V	Champus Tricare	ARPA	Early Head Start	SSBG	TANF	MIECHV	PDG
Infrastructure	46	3	2	2	11	2	3	1	31	1	1	1	0	2
Direct Services	43	4	2	2	33	6	0	8	21	3	1	2	1	0
Infrastructure	100%	7%	4%	4%	24%	4%	7%	2%	67%	2%	2%	2%	0%	4%
Direct Services	93%	9%	4%	4%	72%	13%	0%	17%	46%	7%	2%	4%	2%	0%

While all respondents were able to identify the federal fund sources that were utilized, fewer were able to provide the actual revenue from each source. Eighteen of the forty-six respondents were able to provide a direct match of revenue and fund source.





As shown on the chart that follows, Medicaid is the largest source of federal funding for Part C. If all Medicaid revenue was reported, its significance would only increase. States also reported $16,081,705 in funding under “other” with no attribution. The chart that follows reflects the percentage of federal revenue by each fund source that contributes to the federal fund composition. For actual amount by federal source see page 18.



1. **Have you tried to access Tricare to pay for early intervention services?**

Forty-two respondents answered this question. Eleven states (26.2%) indicated yes, with some success. Two states (4.8%) responded yes, but with no success, and 23 states (54.8%) responded that they had not tried to access Tricare. Three states responded other:

- EI providers billed Tricare if families had coverage
- EIS provider bills insurance directly for direct services.
- Our providers bill Tricare for services with some success
- Providers directly bill insurance.
- Unsure, families with Tricare may use Tricare to access EI services
- Yes, with some success. Tricare prime payments for EI services largely depend on obtaining referrals from the child's Primary Care Manager (PCM). Depending on the PCM's ability to follow through, referrals may or may not be successfully obtained. Tricare Select does not require a referral from the PCM.

2. **What percentage of your ARPA funding have you expended so far?**

Forty-three respondents answered this question. The average percentage of ARPA funds that had been expended as of Spring 2023 was 48%. Thirty-seven states indicated that they expected to spend all remaining funds.

3. **The FFY 2022 and 2023 appropriations language contained a provision to allow the state to use IDEA Part C funds to support continued EI services to a child who previously received services under Part C from age 3 until the beginning of the school year following the child's 3rd birthday. Is your state implementing that option?**

Forty-one respondents answered this question. Five states indicated that their state has an OSEP approved extended option program and they provide services beyond age 3. Twenty-seven states responded that they will not offer services to children who turn three during the summer. Eight states provided the following comments:

- We are considering applying for the extended option program to provide services beyond age 3
- We have had an original state statute since 1993 that has allowed Part C children to remain in Part C through August 31st of 3rd birthday with parental consent. We do not utilize the SIG option/funding for this.
- Not offered at this time but considering for future.
- My state doesn't use Part C for Services; children eligible for Part B can stay in Part C until 3 years 8 months
- Our state is interested but the timing is bad for this year. There is legislative interest in pursuing for the future.
- We are considering, but no decision has been made yet.
- We are exploring the option.

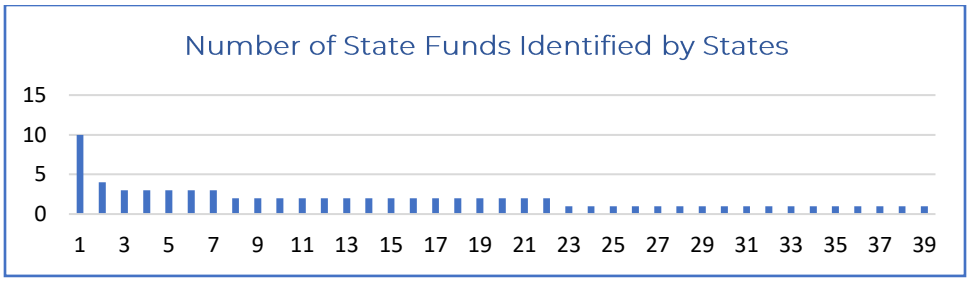
- We intend to pursue this as an option when we have the direct service provider capacity to do so.
- My state is expressing interest in exploring this option in the FFY2023 Part C Grant Application cover letter to be contacted by their OSEP State representative to receive additional information and technical assistance.

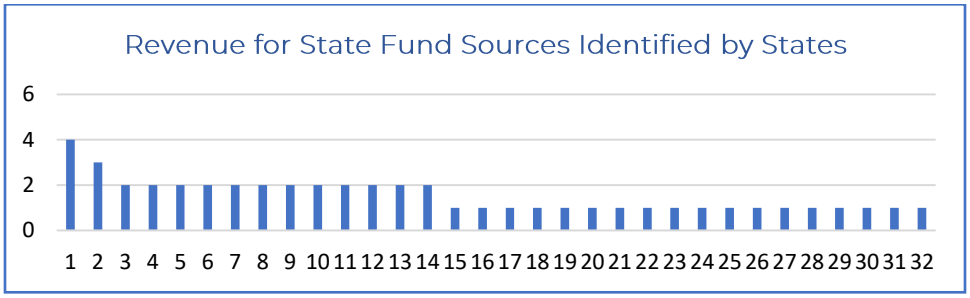
State Funds

The total contribution from reported state funds to Part C systems was $1,932,499,211, which represents 49% of total funding reported. Forty of the forty-six survey respondents reported state revenue. The largest source of state funding was State General Funds. State General Funds may be utilized by state Part C systems but are not directly appropriated to Part C and can be used by other state programs. Twenty-five states (62.5%) report they receive state general funds to support their Part C system. Twenty-three states (57.5%) report they have a state Part C appropriation. These are funds that are a specific line item in the state budget directly appropriated to Part C. Eight states (20%) receive both a State Part C appropriation and State General Funds.

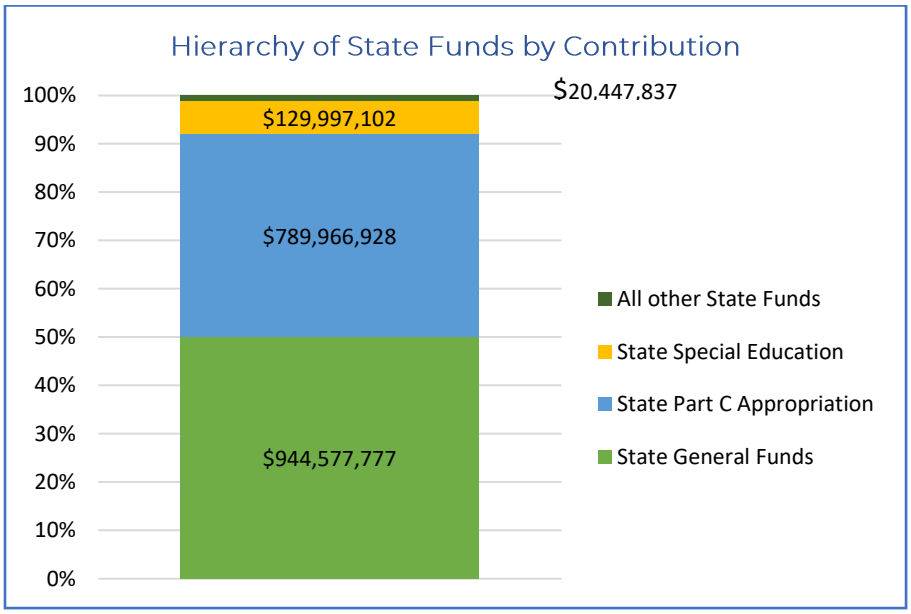
State Fund Use 39 Respondents	State Part C Appropriation	State General Funds	CSHCN	TANF State MOE	State Special Ed	Tobacco Funds	State DD	State Mental Health	Deaf Blind Schools	State Home Visiting	State MCH	PDG
Infrastructure	17	19	2	2	5	1	4	1	2	1	1	1
Direct Services	22	25	2	1	6	2	2	0	2	0	0	0
Infrastructure	43%	48%	5%	5%	13%	3%	10%	3%	5%	3%	3%	3%
Direct Services	55%	63%	5%	3%	15%	5%	5%	0%	5%	0%	0%	0%

While thirty-nine respondents were able to identify the state fund sources that were utilized, thirty-two were able to provide the actual revenue. Fewer had access to the data to provide the actual revenue from each source. Twenty-four of the thirty-nine respondents were able to provide a direct match of revenue and state fund source.

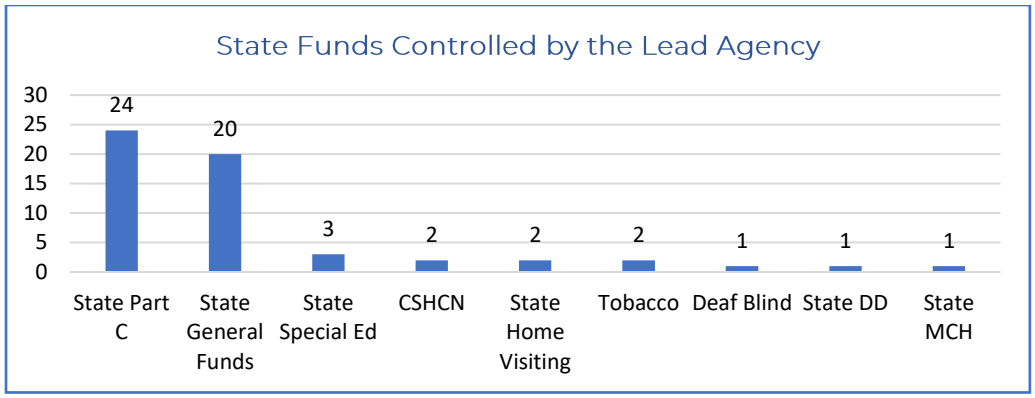




The chart that follows documents the various state funds sources and their degree of contribution to the Part C system. The two major fund sources identified on the chart account for 90% of the state funding. The other fund sources identified together account for the remaining 10%. For actual revenue by state fund source, see page 18.



Thirty-seven states responded to the question regarding which state funds were under the direct control of the Lead Agency. Consistent with the previous data, the two major fund sources controlled by the lead agency were the state Part C Appropriation and state General Funds.

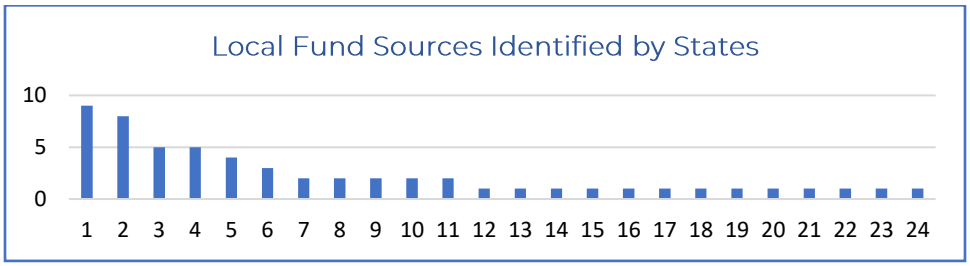


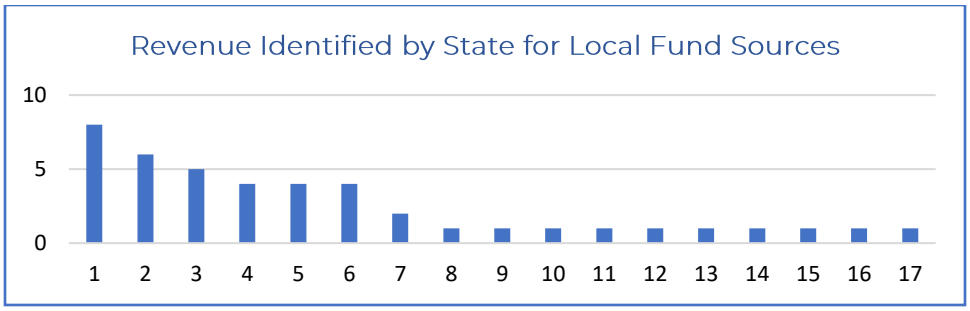
Local Funds

The total contribution from reported local funds to Part C systems was $397,851,422. Local funds account for 10.1% of total funding reported. Twenty-four of the forty-six survey respondents (50%) reported local revenue. Nine specific local fund sources were identified. Local government was the most significant local fund source, accounting for 49.7% of reported local revenue. Private Insurance accounts for 24.6% and county tax levy accounts for 20.4% of local funding.

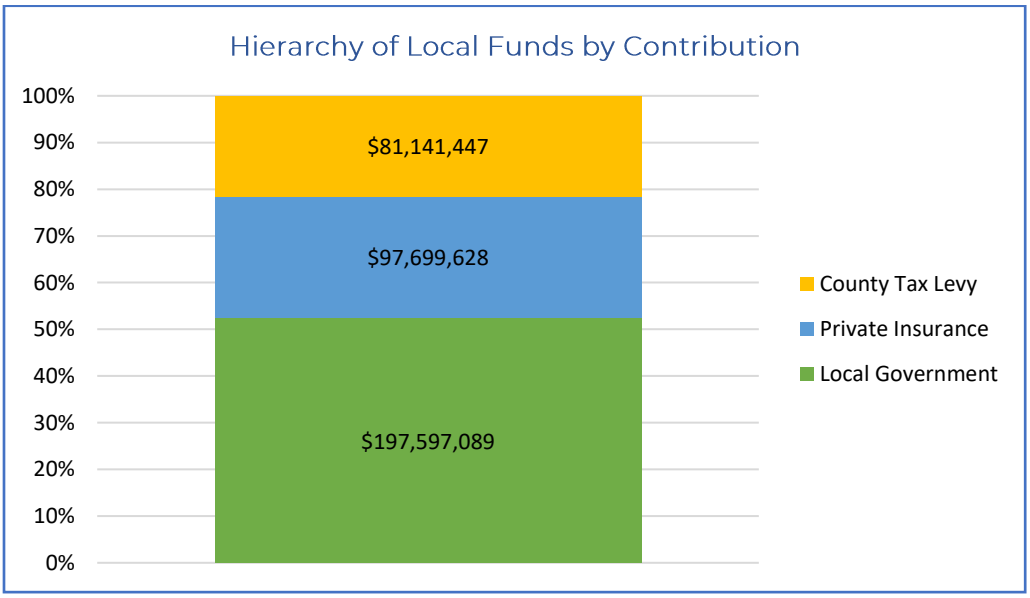
Local Fund Use 24 Respondents	Local Education Agency	County Tax Levy	Foundations	Special Fundraising	Local Government	Cash Donations	United Way	Private Insurance	Family Fees
Infrastructure	5	3	3	2	4	2	1	2	1
Direct Services	7	7	2	4	6	4	3	14	9
Infrastructure	21%	13%	13%	8%	17%	8%	4%	8%	4%
Direct Services	29%	29%	8%	17%	25%	17%	13%	58%	38%

While twenty-four respondents were able to identify the local fund sources that were utilized, fewer respondents had access to data to provide the actual revenue from each source. Eleven of the twenty-four respondents were able to provide a direct match of revenue and fund source.





The chart that follows documents the various local fund sources and their degree of contribution to the Part C system. The largest fund source at the local level is Local Government ($197,597,089). The three major fund sources identified on the chart account for 95% of the local funding. The other local fund sources identified together account for the remaining 5%. For actual revenue by local fund source, see page 18.



Only 14 of the 48 respondents could provide the number of fund sources accessed and the total revenue generated by those sources across federal, state, and local levels.

Reported Revenue by Fund Source (46 states) (July 1, 2021 – June 30, 2022)

Federal Fund Source	2018 Reported Revenue	2021 Reported Revenue	2023 Reported Revenue
IDEA Part C	$487,837,971	$449,824,079	$454,549,975
IDEA Part B 619	$11,505,970	$7,063,125	$6,587,125
IDEA Part B 611	$29,742,449	$12,113,922	$330,000
Medicaid (Federal and State Match)	$848,397,768	$700,039,157	$682,978,397
Part C ARPA	----	----	$188,015,398
Other ARPA	----	----	$11,000,000
SCHIP	$8,269,465	$7,034,000	$7,013,156
Title V	$6,559,911	$6,270,000	$3,541,000
Champus/Tricare	$6,227,172	$668,151	$1,217,216
SSBG	$2,001,000	$2,000,000	$3,988,765
TANF	$15,000,000	$15,535,595	$11,492,972
CCDF	$51,000	$150,000	----
PDG			$100,000
Other Federal Funds	$4,244,000	$21,580,069	$16,081,705
Total Reported Federal Funds	**$1,419,836,706**	**$1,222,278,098**	**$1,615,167,475**
State Fund Source	2018 Reported Revenue	2021 Reported Revenue	2023 Reported Revenue
State Part C Appropriation	$1,112,559,544	$789,662,592	$789,966,928
State General Funds	$867,841,983	$827,517,777	$944,577,777
TANF State MOE	$10,200,000	$13,700,000	$16,866,923
State Special Education	$103,398,102	$133,688,838	$129,997,102
CSHCN	$606,000	$602,635	----
Tobacco Funds	$8,103,393	$768,000	$6,704,600
State Mental Health	$5,412,640	$0	----
Deaf-Blind Schools	$2,546,200	$0	$2,000,000
State DDD	$5,700,000	$5,377,202	$12,268,081
Other State Funds			$29,514,755
Total Reported State Funds	**$2,116,367,862**	**$1,777,317,044**	**$1,932,499,211**
Local Fund Source	2018 Reported Revenue	2021 Reported Revenue	2023 Reported Revenue
Local Education Agencies	$81,259,396	$80,730,192	$33,516
County Tax Levy	$328,392,476	$270,915,864	$81,141,447
Foundations	$431,400	$288,754	$397,701
Special Fundraising	$360,739	$7,378	$5,739,186
Local Government	$19,310,188	$8,640,996	$197,597,089
Cash Donations	$720,512	$11,021	$741,169
United Way	$937,043	$749,860	$800,028
Private Insurance	$81,532,130	$85,217,119	$97,699,628
Family Fees	$4,730,654	$10,962,807	$13,701,658
Other Local Funds	-----	-----	----
Total Reported Local Funds	**$517,674,538**	**$457,523,991**	**$397,851,422**
Total Reported Revenue	**$4,053,879,106**	**$3,457,119,133**	**$3,945,518,108**

Fund Sources by Lead Agency

	Federal Fund Sources		State Fund Sources		Local Fund Sources		Total Fund Sources	
Health Lead Agencies	Sources Identified	Revenue ID	Sources Identified	Revenue ID	Sources Identified	Revenue ID	Sources Identified	Revenue ID
Average	3.1	2.6	1.5	1.0	1.8	1.5	6.0	5.0
Median	3.0	3.0	1.0	1.0	1.0	1.0	6.0	5.0
Minimum	2.0	0.0	0.0	0.0	0.0	0.0	2.0	0.0
Maximum	5.0	4.0	3.0	3.0	5.0	5.0	11.0	11.0

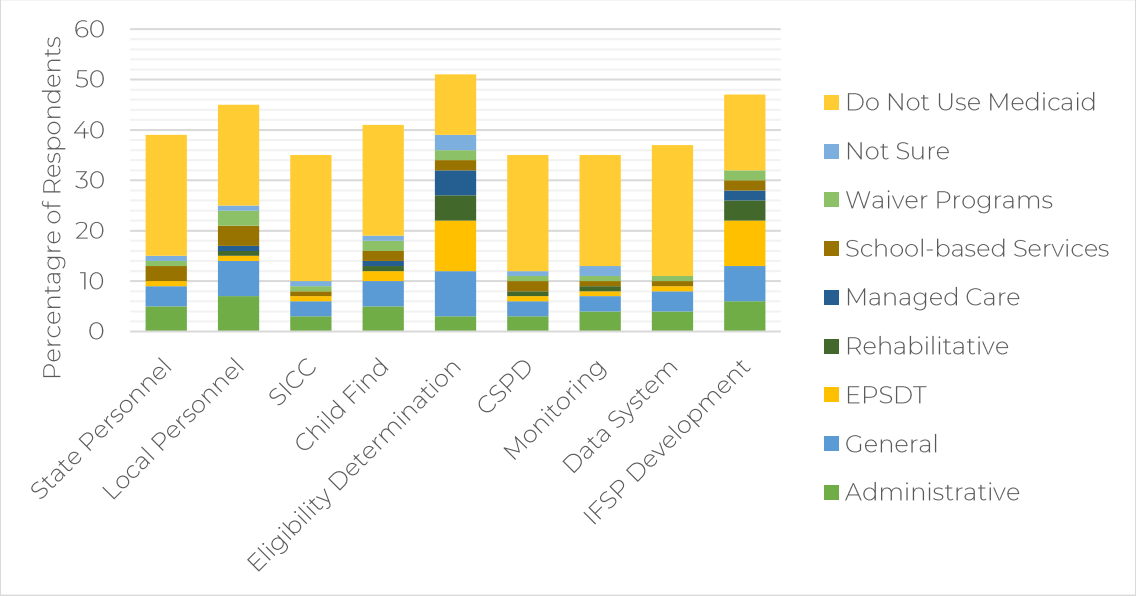
	Federal Fund Sources		State Fund Sources		Local Fund Sources		Total Fund Sources	
Education Lead Agencies	Sources Identified	Revenue ID	Sources Identified	Revenue ID	Sources Identified	Revenue ID	Sources Identified	Revenue ID
Average	3.6	2.3	1.3	0.9	0.8	0.2	5.3	3.2
Median	4.0	2.5	1.0	1.0	1.0	0.0	5.0	3.0
Minimum	2.0	0.0	0.0	0.0	0.0	0.0	2.0	0.0
Maximum	5.0	4.0	3.0	2.0	2.0	1.0	10.0	6.0

	Federal Fund Sources		State Fund Sources		Local Fund Sources		Total Fund Sources	
Other Lead Agencies	Sources Identified	Revenue ID	Sources Identified	Revenue ID	Sources Identified	Revenue ID	Sources Identified	Revenue ID
Average	4	3	2	1	2	1	7	5
Median	3	2.5	2	1	1	0	5.5	4
Minimum	2	0	0	0	0	0	2	0
Maximum	7	7	4	4	9	8	18	17

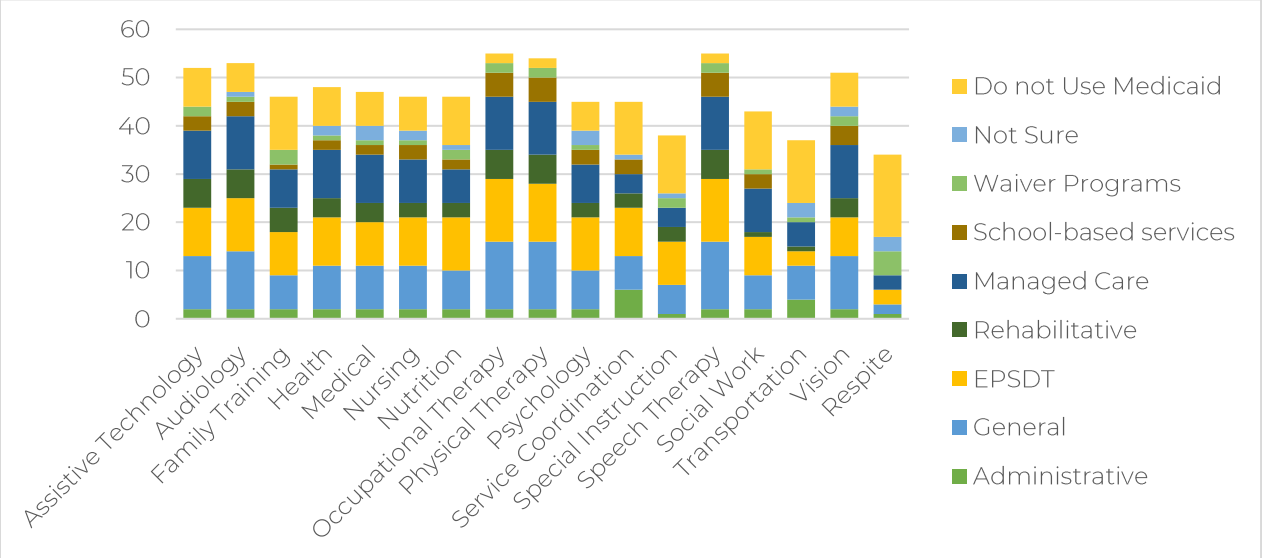
Medicaid Utilization

States were asked a series of questions related to their use of public insurance (Medicaid). Forty-four of the forty-six survey respondents provided information regarding Medicaid funding for infrastructure components and for direct services. The following charts reflect a summary of responses. Percentages were rounded in the responses and may not always equal 100%. Detailed information regarding Medicaid utilization begins on page 16.

Use of Medicaid for Infrastructure



Use of Medicaid for Direct Services



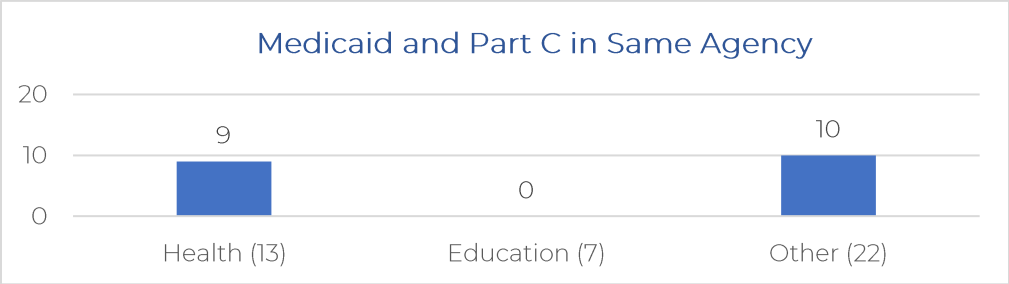
4. If you have a Medicaid waiver, please list the waiver.

Fourteen states responded to this question:

- 1915(b)(4)
- 1915i State Plan Amendment, 1915c and Self Determination (for children under age 3, but that qualify as having a developmental disability under the Lanterman Act)
- Aged and Disabled Waiver
- My state operates a 1115 Demonstration Project waiver
- Autism Waiver, Choices in Home Care Waiver, Community and Employment Support Waiver, Living Choices Assisted Waiver
- Autism
- Developmental Disabilities Waiver
- Developmental Disabilities, community based
- Home and Community Based Services
- Home and Community Based Services (1915b) waiver
- My state does not have a waiver.
- Our office has 5 waivers: New Opportunities Waiver, Children's Choice, Residential Options Waiver, Supports Waiver and My Place (0r Money Follows the Person). Only birth to 3-year-olds can access My Place. The services in My Place do not cover Part C--they get some services from the waiver and Part C services through Part C and Medicaid EPSDT.
- The Department of Health has two waivers: the Comprehensive and Supports DD waivers
- We do not have Medicaid for Part C services.

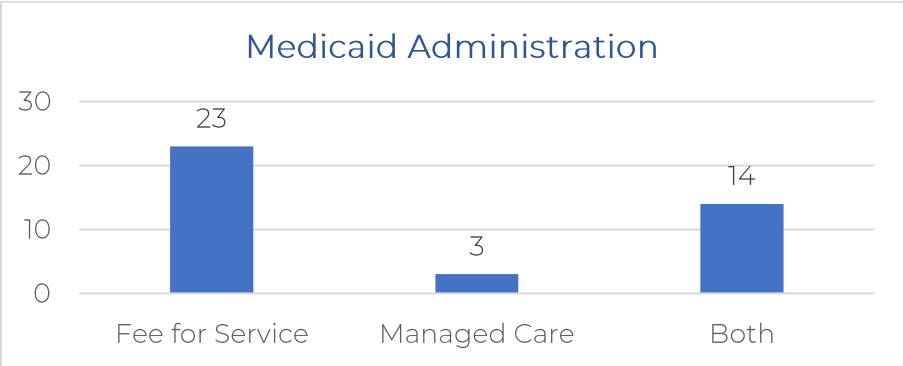
5. Are Part C and Medicaid in the same agency?

Forty-three states responded to this question. Nineteen states (44.19%) responded yes; twenty-three states (53.49%) responded no. Three states did not respond to this question.



6. How is Medicaid administered for Part C services? Check all that apply.

Thirty-nine states responded to this question. Twenty-three states (58.97%) responded that Medicaid is administered through a fee for service model. Three states (7.69%) indicated Medicaid is administered through Managed Care and fourteen states (35.90%) responded that both models are used by Part C.



7. What percentage of children served are enrolled in Medicaid?

Forty-six states responded to this question. The median percentage of children enrolled in Medicaid is 55.3% with a range from 8% to 95%.

	Median	Minimum	Maximum
Total	**55.3%**	**8%**	**95%**
Health (14)	49%	32%	68%
Education (9)	54.9%	47%	63%
Other (23)	32%	8%	95%

Medicaid Managed Care

8. Are children in the Part C system carved out of your state's Medicaid Managed Care Program?

Forty-one states responded to this question. Eleven states (26.9%) responded yes to all services. Seven states (17.1%) responded yes to some services. Fifteen states (36.6%) responded no, and eight states (19.6%) indicated they did not know.

	Yes All Services	Yes, Some Services	No	I don't know
Total	**20.93%**	**16.28%**	**37.21%**	**18.60%**
Health (13)	30.8%	23.1%	15.4%	30.8%
Education (7)	14.3%	0.00%	71.5%	14.3%
Other (21)	28.6%	19.1%	38.1%%	14.3%

9. If your state has multiple managed care organizations, are early intervention services covered by all MCOs?

Forty states responded to this question. Fifteen states (37.5%) responded yes. Sixteen states (40%) responded no, and ten states (25%) indicated that they did not know.

	Yes	No	I don't know
Total	**37.5%**	**40%**	**25%**
Health (12)	33.4%	50%	16.7%
Education (7)	28.6%	42.9%	28.6%
Other (21)	42.9%	33.4%	28.6%

10. Are your early intervention providers recognized as enrolled in the MCOs?

Thirty-two states responded to this question. Ten states (31.3%) responded yes. Sixteen states (50%) responded no, and six states (18.8%) indicated they did not know.

	Yes	No	I don't know
Total	**31.3%**	**50%**	**18.8%**
Health (9)	44.5%	44.5%	11.2%
Education (6)	33.4%	33.4%	33.4%
Other (17)	23.6%	58.9%	17.7%

Comments:

- A very limited number
- Even if they are not a contracted provider, the MCOs are supposed to pay their claims.
- EI providers enroll directly to Medicaid.
- They have to enroll individually
- MCOs must authorize and pay claims for their members that are enrolled in the Birth to 3 Program for reimbursable Birth to 3 Program services. This is true regardless of whether the rendering provider is in or outside of MCO's network.
- Part C providers must be enrolled in the Medicaid program, if applicable

Comments:

- We bill Medicaid and MCOs with the provider - First Steps
- They can enroll to provide services, but Part C services are not included so they also enroll separately in EPSDT for Part C services
- Providers must enroll with each MCO separately.

11. Does Medicaid accept the IFSP as the prior authorizing document establishing medical necessity?

Forty-one states responded to this question. Twenty-two states (53.7%) indicated that Medicaid accepts the IFSP for authorization purposes. Fourteen states (34.2%) indicated that Medicaid does not accept the IFSP as establishing medical necessity, and five states (12.2%) indicated they did not know.

	Yes	No	I don't know
Total	**53.7%**	**34.2%**	**12.2%**
Health (12)	58.4%	41.7%	0.0%
Education (7)	57.2%	14.3%	28.6%
Other (22)	50%	36.4%	13.7%

12. Does Medicaid require a physician signature and/or a prescription on the IFSP establishing medical necessity? Check all that apply.

Thirty-nine states responded to this question. Nine states (14.29%) responded that a physician signature is required. Six states (15.38%) indicated that a prescription is required. Seventeen states (43.59%) responded that no physician signature is required, and 12 states (30.8%) responded no prescription is required. Five states (12.9%) indicated they did not know.

	Yes, Signature	No Signature	Yes Prescription	No Prescription	I don't know
Total	**23.08%**	**43.59%**	**15.38%**	**30.8%**	**15.38%**
Health (12)	25%	50%	33.4%	25%	0.0%
Education (7)	14.3%	14.3%	28.6%	28.6%	28.6%
Other (20)	25%	45%	O.0%	35%	15%

Comments:

- Medical necessity by a physician is obtained but not part of the IFSP process
- Although it is being discussed.
- Some Medicaid health plans require either physician signature or prescription to determine medical necessity and some accept the IFSP as determination of medical necessity.
- Ordering/prescribing physician Medicaid NPI

Comments:

- State licensing requirements for OTs require a physician's order

13. **Does Medicaid require private insurance to be billed before accessing Medicaid if a family has dual coverage?**

Forty-one states responded to this question. Twenty-seven states (64.29%) responded yes, thirteen states (30.95%) responded no, and two states (4.76%) indicated the question did not apply. .

	Yes	No	Does Not Apply
Total	**65.9%**	**41.7%**	**8.4%**
Health (12)	50%	41.7%	8.4%
Education (7)	57.2%	42.9%	0.0%
Other (22)	77.3%	18.2%	4.6%

14. **Does Medicaid pay for telehealth for early intervention services?**

Forty-one states responded to this question. Fifteen states (36.59%) indicated that Medicaid always pays for telehealth for all early intervention services. An additional nine states (21.95%) stated that Medicaid always pays for some services. Two states (4.88%) responded that Medicaid is paying for all services during COVID only, and four states (9.76%) indicated that Medicaid was paying for some services during COVID. Two states (4.88%) reported that Medicaid was not paying for telehealth at all.

Thirteen states reported the following services were being paid for through telehealth:

Comments:

- Medical necessity by a physician is obtained but not part of the IFSP process
- Although it is being discussed.
- Some Medicaid health plans require either physician signature or prescription to determine medical necessity and some accept the IFSP as determination of medical necessity.
- Ordering/prescribing physician Medicaid NPI
- State licensing requirements for OTs require a physician's order
- Yes, during COVID and we are working on an amendment to our waiver to add it permanently.
- All serviced during COVID. Post-COVID each MCO may set their own policies.
- All MA billable services: PT, OT, Speech, Audiology, Nursing/Health, Nutrition, Social Work, Service Coordination, and Psychological
- We were predicting we would not be able to continue billing but so far, they have continued to allow virtual visits.
- All EI services except for Group
- SI, OT, PT, ST, nutrition, counseling

Comments:

- There has not been a change since the "end" of COVID
- SLP only prior to COVID. During and since OT, PT and SLP services have also been covered. We are waiting to hear if these will continue to be covered.
- Covered by the 5 services paid for by Medicaid. Working on determining continuation with the end of the PHE.

15. Does your state bill Medicaid for targeted case management (service coordination)?

Thirty-nine states responded to this question. Twenty-one states (53.9%) answered yes, and sixteen states (41.1%) responded no. One state (2.44%) responded that their state does not have service coordination as a separate service. One state (2.33%) indicated that it had its own chapter in Medicaid.

	Yes	No
Total	**53.9%**	**41.1%**
Health (12)	66.7%	33.4%
Education (6)	33.4%	50%
Other (21)	52.4%	42.9%

Comments:

- Part C has its own chapter in my state Medicaid plan.
- The state does not, but some local providers do so
- Administrative claiming for Medicaid funds for service coordination
- Yes, but not for children enrolled in Part C

16. Do you bill Medicaid directly for IFSP services provided to enrolled children?

Thirty-eight states responded to this question. Thirteen states (34.3%) indicated they bill for all providers. Twenty-five states (65.8%) require providers to bill directly.

	Lead Agency	Provider
Total	**34.3%**	**65.8%**
Health (11)	27.3%	72.8%
Education (6)	83.4%	16.7%
Other (21)	23.8%	76.2%

17. If you are not billing directly, do you have access to all Medicaid expenditures for Part C services?

Twenty-nine states responded to this question. Twenty-two states (75.9%) reported having access to Medicaid expenditures. Seven states (24.2%) do not have access to Medicaid expenditures. Three states provided the following comments.

Comments:

- We bill directly
- The State bills Medicaid for services provided by the RCs and some direct service providers bill Medicaid for services.
- We bill directly through a billing agent.

	Yes	No
Total	**75.9%**	**24.2%%**
Health (10)	80%	20%
Education (3)	66.7%	33/3%
Other (16)	75%	25%

18. **Do you have a key contact at Medicaid to help with resolving any issues related to coverage or billing?**

Forty-three states responded to this question. Thirty-seven (90.24%) of the forty-three responded yes.

19. **Have you seen an increase in the number of children enrolled in Medicaid?**

Thirty-nine states responded to this question. Fifteen states (38.5%) responded yes. Ten states (25.7%) responded no. Eleven states (28.2%) responded that they did not know.

	Yes	No	I don't know
Total	**38.5%**	**25.7%**	**28.2%**
Health (10)	50%	30%	20%
Education (7)	28.6%	28.6%	42.9%
Other (22)	36.4%	31.9%	31.9%

Comments:

- Part C has its own chapter in our state Medicaid plan
- The state does not, but some local providers do so
- Administrative claiming for Medicaid funds for service coordination
- Yes, but not for children enrolled in Part C
- It has stayed consistent at around 80%
- It has been consistently 50%
- A slight increase from a year ago, but not significant
- Medicaid numbers were down during height of COVID, but are returning to pre-COVID #s
- The state implemented a TEFRA-like program in January 2022 allowing some children to have coverage despite family income. Don't show actual increases yet, since new, but no doubt will.

20. Which statements describe the status of your efforts to increase Medicaid revenues? Check all that apply.

Forty states responded to this question. The chart that follows tracks the responses.

Status of Efforts to Increase Medicaid Revenue (40)	Change Achieved	Discussions Initiated	Project in Place	No Efforts
State Plan amendment/rule change for expanding covered services	8%	23%	5%	60%
State Plan amendment/rule changes for expanding providers who can bill Medicaid	8%	20%	3%	63%
Change in rate structure	8%	23%	8%	60%
Increase in rate of reimbursement	23%	28%	15%	43%
Improved access to payment/revenue data	13%	10%	13%	60%
Data analysis related to projected need, the potential impact of any change, and implementation costs that would be incurred	5%	23%	13%	58%
Action plan drafted with timelines and roles	5%	20%	8%	63%

Medicaid Funding Used for Administration (46 Respondents)	Administrative	General	EPSDT	Rehabilitative	Managed Care	School Based Services	Waiver Programs	Do Not Know	Do Not Use Medicaid
State Administration	**11%**	**9%**	**2%**	**0%**	**0%**	**65%**	**2%**	**2%**	**52%**
Health (14)	21%	14%	0%	0%	0%	0%	7%	0%	64%
Education (9)	0%	0%	0%	11%	0%	11%	0%	0%	44%
Other (23)	13%	9%	0%	0%	0%	9%	0%	4%	43%
Local Administration	**15%**	**15%**	**2%**	**2%**	**2%**	**9%**	**7%**	**2%**	**43%**
Health (14)	14%	14%	0%	0%	0%	0%	7%	7%	50%
Education (9)	11%	11%	0%	0%	0%	22%	0%	0%	33%
Other (23)	17%	13%	4%	4%	4%	9%	9%	0%	43%
SICC	**7%**	**7%**	**2%**	**0%**	**0%**	**2%**	**2%**	**2%**	**54%**

Medicaid Funding Used for Administration (46 Respondents)	Administrative	General	EPSDT	Rehabilitative	Managed Care	School Based Services	Waiver Programs	Do Not Know	Do Not Use Medicaid
Health (14)	14%	14%	0%	0%	0%	0%	7%	7%	50%
Education (9)	0%	0%	11%	0%	0%	0%	0%	0%	44%
Other (23)	4%	0%	0%	0%	0%	4%	0%	0%	61%
Child Find Public Awareness	**11%**	**11%**	**4%**	**2%**	**2%**	**4%**	**4%**	**2%**	**48%**
Health (14)	14%	14%	0%	0%	0%	0%	7%	0%	57%
Education (9)	0%	0%	11%	0%	0%	0%	0%	0%	33%
Other (23)	13%	9%	4%	4%	4%	9%	4%	4%	48%
Eligibility Determination	**7%**	**20%**	**22%**	**11%**	**11%**	**4%**	**4%**	**7%**	**26%**
Health (14)	14%	21%	14%	21%	14%	0%	7%	0%	29%
Education (9)	0%	0%	11%	0%	0%	0%	0%	11%	33%
Other (23)	4%	26%	30%	9%	13%	9%	4%	9%	22%
Comprehensive System of Personnel Development	**7%**	**7%**	**2%**	**2%**	**0%**	**4%**	**2%**	**2%**	**50%**
Health (14)	14%	14%	0%	7%	0%	0%	7%	7%	43%
Education (9)	0%	0%	11%	0%	0%	11%	0%	0%	44%
Other (23)	4%	4%	0%	0%	0%	4%	0%	0%	57%
Monitoring	**9%**	**7%**	**2%**	**2%**	**0%**	**2%**	**2%**	**4%**	**48%**
Health (14)	14%	14%	0%	7%	0%	0%	7%	0%	50%
Education (9)	0%	0%	11%	0%	0%	0%	0%	0%	44%
Other (23)	9%	4%	0%	0%	0%	4%	0%	9%	48%
Data System	**9%**	**9%**	**2%**	**0%**	**0%**	**2%**	**2%**	**0%**	**57%**
Health (14)	14%	14%	0%	7%	0%	0%	7%	0%	57%
Education (9)	0%	0%	11%	0%	0%	0%	0%	0%	44%
Other (23)	9%	9%	0%	0%	0%	4%	0%	0%	61%
IFSP Development	**13%**	**15%**	**20%**	**9%**	**4%**	**4%**	**4%**	**0%**	**33%**
Health (14)	14%	14%	14%	21%	7%	0%	7%	0%	36%
Education (9)	0%	0%	11%	0%	0%	11%	0%	0%	44%
Other (23)	17%	22%	26%	4%	4%	4%	4%	0%	26%

Medicaid Funding Used for Direct Services (46 Respondents)	Administrative	General	EPSDT	Rehabilitative	Managed Care	School-based Services	Waiver Programs	Do Not Know	Do Not Use Medicaid
Assistive Technology	5%	28%	26%	15%	26%	8%	5%	0%	21%

Medicaid Funding Used for Direct Services (46 Respondents)	Administrative	General	EPSDT	Rehabilitative	Managed Care	School-based Services	Waiver Programs	Do Not Know	Do Not Use Medicaid
Health (14)	14%	29%	14%	21%	29%	0%	0%	0%	14%
Education (9)	0%	11%	0%	0%	11%	22%	0%	0%	22%
Other (23)	0%	26%	35%	13%	22%	4%	9%	0%	17%
Audiology	**5%**	**31%**	**28%**	**15%**	**28%**	**8%**	**3%**	**3%**	**15%**
Health (14)	14%	21%	21%	21%	29%	0%	0%	0%	14%
Education (9)	0%	22%	11%	0%	11%	22%	0%	0%	11%
Other (23)	0%	30%	30%	13%	26%	4%	4%	4%	13%
Family Training & Counseling	**5%**	**18%**	**23%**	**13%**	**21%**	**3%**	**8%**	**0%**	**28%**
Health (14)	14%	21%	14%	21%	29%	0%	0%	0%	21%
Education (9)	0%	0%	0%	0%	0%	0%	11%	0%	22%
Other (23)	0%	17%	30%	9%	17%	4%	9%	0%	26%
Health	**5%**	**23%**	**26%**	**10%**	**26%**	**5%**	**3%**	**5%**	**21%**
Health (14)	14%	21%	14%	21%	36%	0%	0%	0%	14%
Education (9)	0%	11%	0%	0%	0%	22%	0%	0%	33%
Other (23)	0%	22%	35%	4%	22%	0%	4%	9%	13%
Medical	**5%**	**23%**	**23%**	**10%**	**26%**	**5%**	**3%**	**8%**	**18%**
Health (14)	14%	21%	14%	21%	36%	0%	0%	0%	14%
Education (9)	0%	11%	0%	0%	0%	22%	0%	11%	22%
Other (23)	0%	22%	30%	4%	22%	0%	4%	9%	13%
Nursing	**5%**	**23%**	**26%**	**8%**	**23%**	**8%**	**3%**	**5%**	**18%**
Health (14)	14%	21%	14%	21%	36%	0%	0%	0%	14%
Education (9)	0%	11%	0%	0%	0%	22%	0%	0%	33%
Other (23)	0%	22%	35%	0%	17%	4%	4%	9%	9%
Nutrition	**5%**	**21%**	**28%**	**8%**	**18%**	**5%**	**5%**	**3%**	**26%**
Health (14)	14%	21%	7%	21%	21%	0%	0%	0%	29%
Education (9)	0%	0%	0%	0%	0%	11%	0%	0%	33%
Other (23)	0%	17%	43%	0%	17%	4%	9%	4%	13%
Occupational Therapy	**5%**	**36%**	**33%**	**15%**	**28%**	**13%**	**5%**	**0%**	**5%**
Health (14)	14%	29%	21%	21%	29%	0%	0%	0%	14%
Education (9)	0%	33%	11%	0%	11%	33%	0%	0%	0%
Other (23)	0%	30%	39%	13%	26%	9%	9%	0%	0%
Physical Therapy	**5%**	**36%**	**31%**	**15%**	**28%**	**13%**	**5%**	**0%**	**5%**
Health (14)	14%	29%	21%	21%	29%	0%	0%	0%	14%
Education (9)	0%	33%	11%	0%	11%	33%	0%	0%	0%
Other (23)	0%	30%	35%	13%	26%	9%	9%	0%	0%
Psychological Services	**5%**	**21%**	**28%**	**8%**	**21%**	**8%**	**3%**	**8%**	**15%**
Health (14)	14%	29%	21%	14%	29%	0%	0%	7%	14%
Education (9)	0%	0%	11%	0%	0%	22%	0%	0%	22%
Other (23)	0%	17%	30%	4%	17%	4%	4%	9%	9%

Medicaid Funding Used for Direct Services (46 Respondents)	Administrative	General	EPSDT	Rehabilitative	Managed Care	School-based Services	Waiver Programs	Do Not Know	Do Not Use Medicaid
Service Coordination	**15%**	**18%**	**26%**	**8%**	**10%**	**8%**	**0%**	**3%**	**28%**
Health (14)	14%	21%	29%	14%	21%	0%	0%	0%	29%
Education (9)	11%	11%	0%	0%	0%	22%	0%	0%	22%
Other (23)	13%	13%	26%	4%	4%	4%	0%	4%	22%
Special Instruction	**3%**	**15%**	**23%**	**8%**	**10%**	**0%**	**5%**	**3%**	**31%**
Health (14)	7%	14%	7%	14%	14%	0%	0%	0%	36%
Education (9)	0%	0%	11%	0%	0%	0%	0%	0%	22%
Other (23)	0%	17%	30%	4%	9%	0%	9%	4%	22%
Speech Language Pathology	**5%**	**36%**	**33%**	**15%**	**28%**	**13%**	**5%**	**0%**	**5%**
Health (14)	14%	29%	21%	21%	29%	0%	0%	0%	14%
Education (9)	0%	33%	11%	0%	11%	22%	0%	0%	0%
Other (23)	0%	30%	39%	13%	26%	9%	9%	0%	0%
Social Work	**5%**	**18%**	**21%**	**3%**	**23%**	**5%**	**3%**	**0%**	**31%**
Health (14)	14%	21%	7%	7%	29%	0%	0%	0%	36%
Education (9)	0%	0%	11%	0%	11%	0%	0%	0%	22%
Other (23)	0%	17%	26%	0%	17%	0%	4%	0%	22%
Transportation	**10%**	**18%**	**8%**	**3%**	**13%**	**0%**	**3%**	**8%**	**33%**
Health (14)	21%	29%	0%	7%	21%	0%	0%	0%	21%
Education (9)	0%	0%	0%	0%	0%	0%	0%	11%	22%
Other (23)	4%	13%	13%	0%	9%	0%	4%	9%	35%
Vision	**5%**	**28%**	**21%**	**10%**	**28%**	**10%**	**5%**	**5%**	**18%**
Health (14)	14%	21%	7%	14%	36%	0%	0%	0%	21%
Education (9)	0%	11%	11%	0%	11%	22%	0%	11%	11%
Other (23)	0%	30%	26%	9%	22%	9%	9%	4%	13%
Respite	**3%**	**5%**	**8%**	**0%**	**8%**	**0%**	**13%**	**8%**	**44%**
Health (14)	7%	7%	0%	0%	7%	0%	7%	0%	43%
Education (9)	0%	0%	0%	0%	0%	0%	11%	11%	22%
Other (23)	0%	4%	13%	0%	9%	0%	13%	9%	39%

Private Insurance

21. What percentage of children served have private insurance?

Nineteen states responded to this question. The median percentage of children with health insurance was 30% with a range of 13% to 40.

	Median	Minimum	Maximum
Total	**30%**	**13%**	**40%**
Health (6)	33.9%	20%	40%
Education (2)	-	19.3%	40%
Other (11)	30%	13%	40%

22. Do you have statutory language related to the use of private insurance?

Forty-one states responded to this question. Thirteen states (31.7%) responded that they have insurance legislation. Twenty-two states (53.7%) indicated that they do not have legislation. Six states (14.7) provided comments.

Comments

- I don't know
- It was removed as of 1/1/2022
- Must bill private insurance prior to billing Medicaid
- only that we parent consent has to be provided to bill private or public insurance
- Yes, prohibiting it
- Sort of legislation for coverage of services, not specific to the use of insurance for Part C as a funding source

23. Does your insurance legislation have a cap on the amount the insurance company will pay on an annual basis?

Twenty-four states responded to this question. Twenty-one states (87.5%) indicated there was no cap. Three states (12.5%) indicated there was a cap. One state's cap was $3500, another was $5000 and the other state's cap was $7,800.

24. If you have seen a decrease in the amount of insurance revenue, what are the reasons? Check all that apply.

Twenty states responded to this question. Eight states (40%) indicated the reason was that families refused access to insurance. Five states (25%) indicated that services were down because of COVID. One state (5%) indicated that families had lost insurance coverage as a result of COVID and six states (30%) responded they were not sure why.

25. Are Part C services included in your state's definition of essential services?

Forty-three states responded to this question. Five states (11.7%) responded that Part C services are included. Nineteen states (44.2%) responded no, and nineteen states (44.2%) indicated they did not know.

26. Which statements describe the status of your efforts related to the use of private insurance? Check all that apply.

Status of Efforts to Increase Use of Private Insurance (38)	Change Achieved	Discussions Initiated	Project in Place	No Efforts
Update existing legislation to remove any cap	0%	0%	0%	89.5%
Develop state legislation related to insurance	2.7%	13.2%	0%	81.6%
Agreements developed with private insurers that are impacted by state legislation	0%	8.6%	2.7%	81.6%
Data analysis related to projected need. The potential impact of any change, and implementation costs that would be incurred	0%	8.6%	2.7%	76.4%
Action plan related to the use of private insurance drafted with timelines and roles	0%	8.6%	2.7%	81.6%

27. What are the barriers to maximizing the use of private insurance?

Twenty-seven states provided the following comments.

Comments:

- Not attempting to implement family fees/insurance
- Provider availability, service limitations, and reimbursement rates
- Mostly the barrier seems to be that families do not want to provide their private insurance benefits and since the state does the direct billing, local providers have no reason to try harder to get the private insurance information from families.
- Lack of EI benefit coverage under private insurance(s).
- It does not mesh well with the current structure for providing EI services in the state
- Lifetime caps, services not covered, the complicated Part C system of payments that takes a long time to be resolved if private will not pay. Due to a lack of capacity/availability of EI providers, some families are seeing both EI private therapists and non-EI affiliated private therapist (many of whom were EI providers but stopped working with us due to system of payment issues). They use their private insurance for the non-affiliated EI provider and then are denying access to it when the EI provider serves them. (The most common reason for this is that families want to get their children seen as soon as possible and are staying with Part C to ensure a transition process to Part B). We could not find anything in writing saying that families are not able to do this.
- Political will. We attempted to add language giving the lead agency the option of using private insurance, but it did not make it out of committee (parent opposition).
- Not offering out of network benefits
- Significant burden and cost to independently contracted providers
- Health Care rules and policies
- Some services not covered or covered at a rate less than the cost of service; early intervention providers are often out-of-network

Comments:

- Do not use private insurance in our system of payments
- We have contracted with an outside vendor to conduct a study on the feasibility of private insurance billing for EI. That study is scheduled for completion in July, at which point, then we will determine whether or not to move forward with implementing private insurance billing for EI services.
- Must obtain signed permission from the parent to use private insurance; staffing shortages at the state and local levels
- Families are not billed, and no claims are submitted to private insurance
- Complexity of managed care, in and out of state insurance companies and the large number of insurance carriers operating in the state.
- They deny everything. Parents don't give consent for EI to access due to potential impacts to future insurance coverage.
- Provider availability/capacity and qualified personnel to work with young children, rates/competition with other funding sources (private insurance, etc.).
- Our structure is such that a majority of our EI providers do not employ specialists
- Legislation and infrastructure operational support
- Providers are not required to bill private insurance. Some families are reluctant to provide access to private insurance.
- Families' willingness to provide consent to bill insurance Correct coding on provider claims which turn into claims sent to carriers. Carrier cards are confusing, and families don't understand their benefits
- High deductibles with low reimbursement rates
- Our legislation allows use of Private Insurance, but no interest by the state in using PI, due to other issues related to PI such as hits from hurricanes, other disasters.
- Administrative burden on the agency that bills and lack of resources to chase the dollars if initially denied
  We are currently in the middle of conducting a feasibility study to determine the financial feasibility of private insurance billing. Part of this study is to analyze the financial impact of unbundling the current capitated Medicaid rate for Early Intervention services. The loss in Medicaid revenue as a result of unbundling may be greater than the increased revenue that would be generated as a result of billing private insurance. If we start billing private insurance, Medicaid will require us to unbundle the capitated rate.
- Working with in-state plans versus out-of-state plans.

Family Cost Participation

28. What type of Family Cost Participation is in place in your state?

Forty-three states responded to this question. Thirteen states (30.3%) use insurance only. Seven states (16.3%) use family fees only. Five states (11.7%) responded that they have both

family fees and private insurance. Eighteen states (41.9%) responded that they do not have any cost participation.

	Private Insurance Only	Family Fees Only	Both	No Cost Participation
Total	**30.3%%**	**16.3%**	**9.3%%**	**41.9%**
Health (14)	28.6%	28.6%	7.2%	28.6%
Education (7)	14.3%	14.3%	0.0%	71.5%
Other (22)	36.4%	9.1%	18.2%	40.9%

29. How is your family fee structured?

Forty-one states responded to this question. Twenty-eight respondents (70%) indicated that this question did not apply to them. Six respondents (15%) have a monthly structure. Three (7.5%) have an annual fee and four (5%) have a co-pay per service.

30. What percentage of the federal poverty level serves as the baseline for your family fee system?

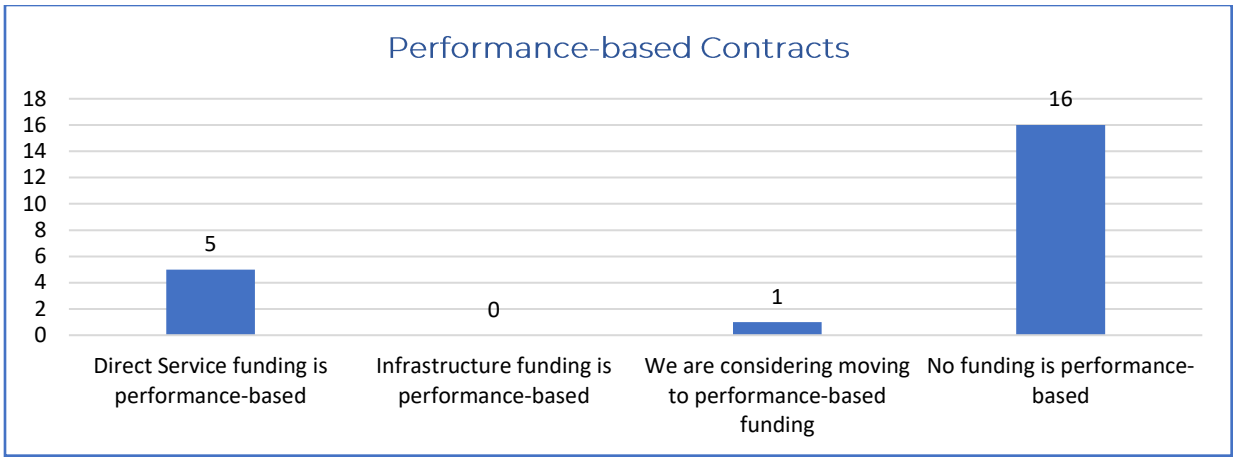
Twelve states responded to this question. Three states (25%) identified 300% as the baseline. Two states (16.7%) identified 250% as the baseline. One state (8.4%) identified its base as 206%. Three states (25%) identified 200% as the baseline and two more (16.7%) identified 185% as the baseline. One state (8.4%) indicated their baseline was 100%.

Fund Management

Performance-based Contracts

31. Has your state implemented performance-based contracts?

Twenty-five states responded to this question. Sixteen states (64%) responded that no funding for their Part C system is performance-based. The remainder of states were equally spread across the responses.



Three states checked Other and provided the following comments:

- Part C is part of the CIS bundled contract which does have performance measures that need to be met. However, federal grant dollars are not used
- There are disincentives to poor performance, but not specific to direct or infrastructure
- We are piloting an incentive program for provider expansion

32. Is your performance-based funding focused on compliance or evidence-based practices?

Eight states responded to this question. Two states (25%) indicated it was based on compliance. One state (12.5%) indicated it was based on evidence-based practices and the remaining five states (62.5%) indicated both.

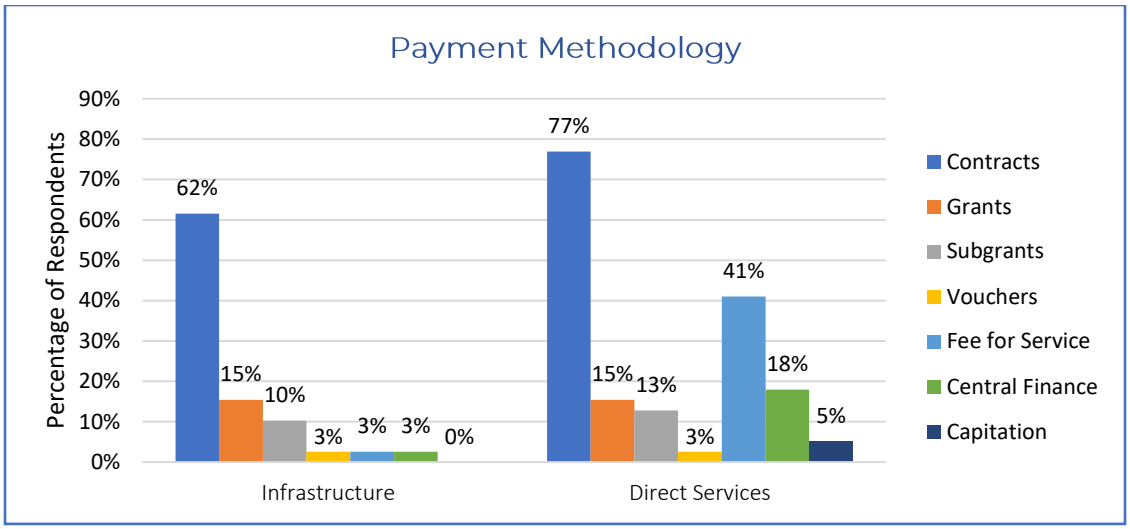
33. Do you include incentives and disincentives in your contract language?

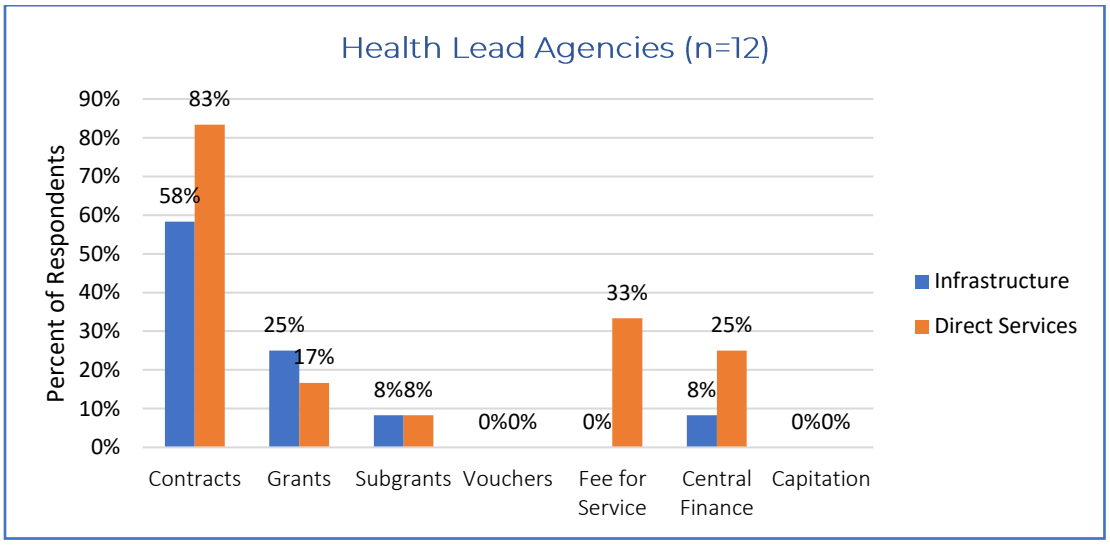
Nine states responded to this question. Three states (33.33%) indicated that disincentive language was included in contract language and four states (44.5%%) indicated incentives and two states (22.3%) responded to both.

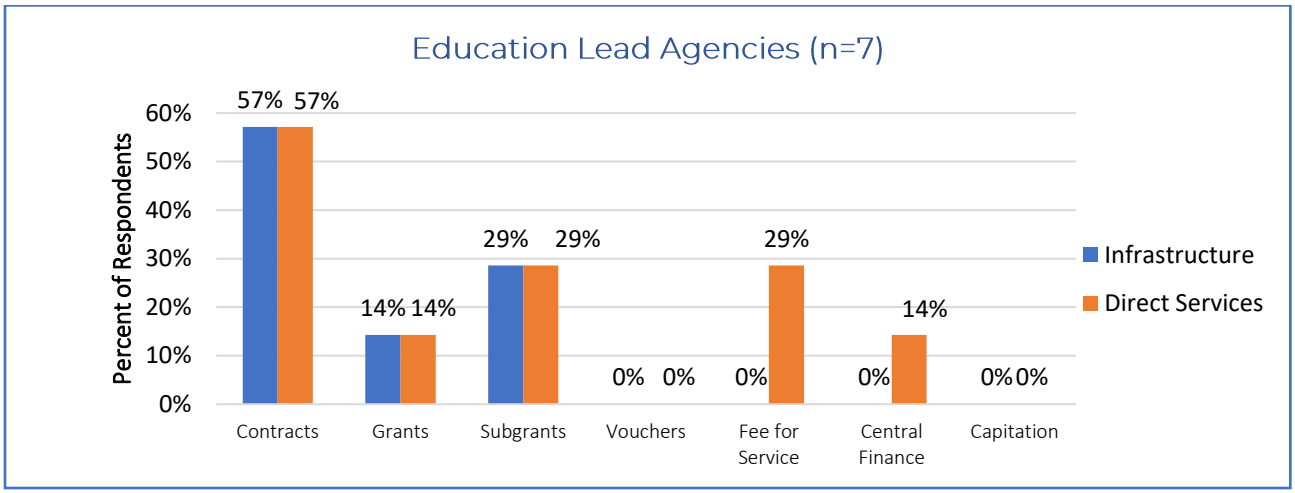
Payment Methodology

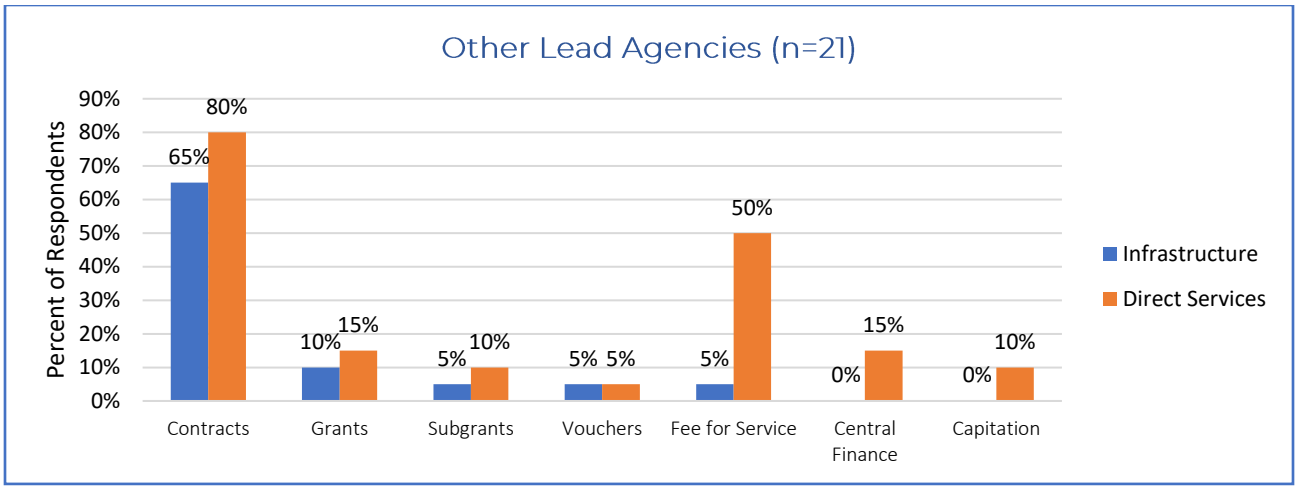
34. What is the Lead Agency's payment methodology-mechanism to move funding from the state level to the local level? Check all that apply.

Thirty-nine states responded to this question. Contracts were most frequently identified as the payment methodology for both infrastructure (26 states) as well as direct services (27 states).


Payment Methodology
Percentage of Respondents
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
62%
15%
10%
3%
3%
3%
0%
77%
15%
13%
3%
41%
18%
5%
Infrastructure
Direct Services
Contracts
Grants
Subgrants
Vouchers
Fee for Service
Central Finance
Capitation


Health Lead Agencies (n=12)
Percent of Respondents
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
58%
83%
25%
17%
8%8%
0%0%
0%
33%
8%
25%
0%0%
Contracts
Grants
Subgrants
Vouchers
Fee for Service
Central Finance
Capitation
Infrastructure
Direct Services


Education Lead Agencies (n=7)
Percent of Respondents
60%
50%
40%
30%
20%
10%
0%
57% 57%
14% 14%
29% 29%
0% 0%
0%
29%
0%
14%
0%0%
Contracts
Grants
Subgrants
Vouchers
Fee for Service
Central Finance
Capitation
Infrastructure
Direct Services



35. Did your state subgrant IDEA Part C funds to local educational agencies, institutions of higher education, other public agencies, and private non-profit organizations to carry out activities authorized under Part C?

Forty-two states responded to this question. Eleven states (26.2%) responded yes. Twenty-eight states (66.6%) said they were not considering subgranting. One state (2.4%) was undecided, and two states (4.8%) did not know what the subgrant option was.

	Yes	No	Undecided	I don't know what subgrant option is
Total	26.2%	66.6%%	2.4%%	4.8%
Health (13)	23.1%	69.3%	7%	0%
Education (6)	33.4%	66.6%	0%	0%
Other (23)	26.1%	65.3%	0%	8.7%

Allocation Methodology

36. Which of the following variables do you use in determining how much funding to allocate for infrastructure and direct services? Check all that apply.

Thirty-five states responded to this question. The most common response was the number of children served in the previous year for infrastructure (54.3%) and direct services (82.9%). Beyond the choices provided, other variables that were identified were:

- # of referrals in the previous year, prevalence of elevated blood lead levels
- Inflationary increases are applied annually and decided by the legislature during session.
- Lead Agency receives a direct allocation based on budget from the Department of Education

- My state is currently on a tiered bundled rate to pay local providers for the number of children they are currently serving. We are conducting a provider rate study to inform our funding structure moving into a new RFP cycle.
- N/A fee for service model
- Percent of birth to 3 population being served
- Percent of birth to 3 population served
- Referral rate
- State reimburses the counties for 49% of actual services paid by the counties not covered by Medicaid.
- Units of service provided - based on state Medicaid rates, # of miles traveled
- We do not do this for Part C dollars, but the contract is based on a case rate

The charts that follow provide all responses as well as by lead agency.

Infrastructure Variables	Total N=35	Health N=11	Education N=4	Other N=20
# of children served in previous year	54.3%	72.8%	25%	50%
# of births	11.5%	27.3%	25%	0%
Poverty	8.6%	0%	0%	15%
Population Growth	11.5%	18.2%	0%	10%
Geography	8.6%	27.3%	0%	0%
Other public revenue variables	11.5%	9.1%	25%	10%
Rate of public insurance	8.6%	9.1%	0%	10%
Rate of private insurance coverage	0%	0%	0%	0%
Historic growth patterns	20%	27.3%	0%	20%
Historic expenditure patterns	22.9%	27.3%	0%	25%
Births to teens	2.9%	9.1%	0%	0%
Homelessness	0%	0%	0%	0%
Birth Defects Registry	0%	0%	0%	0%
# of premature births	2.9%	9.1%	0%	0%
Underserved Populations	5.8%	0%	0%	10%

Direct Services Variables	Total N=35	Health N=11	Education N=4	Other N=20
# of children served in previous year	82.9%	91%	75%	80%
# of births	25.8%	45.5%	25%	15%
Poverty	20%	9.1%	0%	30%
Population Growth	25.8%	27.3%	25%	25%
Geography	20%	27.3%	50%	10%
Other public revenue variables	11.5%	9.1%	25%	10%
Rate of public insurance	20%	18.2%	0%	25%
Rate of private insurance coverage	2.9%	0%	0%	5%
Historic growth patterns	22.9%	27.3%	0%	25%
Historic expenditure patterns	25.8%	27.3%	0%	30%
Births to teens	0%	0%	0%	0%
Homelessness	0%	0%	0%	0%
Birth Defects Registry	0%	0%	0%	0%
# of premature births	2.9%	9.1%	0%	0%
Underserved populations	14.3%	18.2%	25%	10%

Financial Reporting

37. Does the state lead agency, or any other state agency, require all participating entities that receive funding for early intervention to report all revenue and expenses generated on behalf of early intervention?

Forty-one states responded to this question. Twenty-five states (61%) responded that reporting to the state lead agency is required. One state (2.5%) responded that reporting was required but to a different state agency. Eleven states (29.7%) responded that no reporting is required.

	Yes Lead Agency	Yes Other State Agency	No
Total	61%	2.5%	29.7%

	Yes Lead Agency	Yes Other State Agency	No
Health (11)	63.7%	0%	36.4%
Education (7)	57.2%	0%	42.9%
Other (23)	60.9%	4.4%	34.8%

38. If you answered yes, how frequently is the information required to be provided?

Thirty-three states responded to this question. Fifteen states (45.5%) indicated that reports are required on an annual basis. Nine states (27.3%) require monthly reports and eight states (24.3%) reported that quarterly reports were required. One state (3.1%) reported requiring semi-annual reports.

	Monthly	Quarterly	Semi-Annually	Annually
Total	27.3%	24.3%%	3.1%	45.5%
Health (11)	36.4%	27.3%	0%	27.3%
Education (4)	0%	25%	0%	75%
Other (18)	27.8%	22.3%	5.6%	44.5%

39. Does the report separate revenue by fund source?

Twenty-nine states responded to this question. Twenty-four states (82.8%) responded that the report separates revenue by fund source. Five states (17.3%) responded no.

40. If a different state agency receives the revenue and expenditure report, is it shared with the lead agency?

Thirty-seven states responded to the question. Thirty-three states (89.2%) indicated this question did not apply to them. Four states (10.8%) indicated that the report was shared with the lead agency.

41. Are early intervention providers that receive funding through the Part C system required to submit a uniform financial report on an annual basis?

Forty-four states responded to this question. Fourteen states (31.9%) require a uniform financial report from all providers. Four states (9.1%) require the report from providers that meet a certain threshold. Seventeen states (38.7%) indicated they do not require a report and ten states (22.8%) indicated this did not apply to them.

One state indicated that the threshold for reporting was $300,000 in any fiscal year.

	Yes All	Yes Certain Threshold	No	Does Not Apply
Total	31.9%	9.1%	38.7%	22.8%
Health (14)	28.6%	21.5%	28.6%	21.5%
Education (7)	42.9%	0%	22.3%	22.3%
Other (23)	30.5%	4.4%	47.9%	21.8%

42. Does your state have a limit/maximum on the percentage you will pay local provider agencies for administrative costs?

Forty-three states responded to this question. Three states (7%) indicated they had a maximum on administrative costs. Seventeen states (39.6%) did not have a maximum and 16 states (37.2%) indicated this question did not apply to them. The maximum rates that were identified ranged from 5% to 25%.

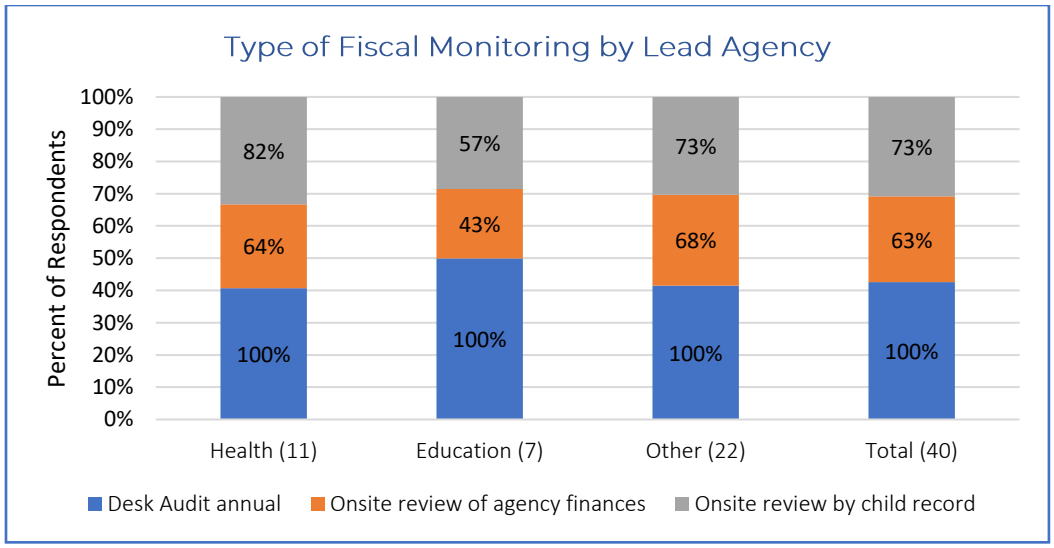
43. Does your state have a limit/maximum on the percentage you will pay local provider agencies for indirect costs?

Forty-three states responded to this question. Eleven states (25.6%) indicated they had a maximum on indirect costs. Eleven states (25.6%) did not have a maximum and twenty-one states (48.9%) indicated this question did not apply to them.

Fiscal Monitoring

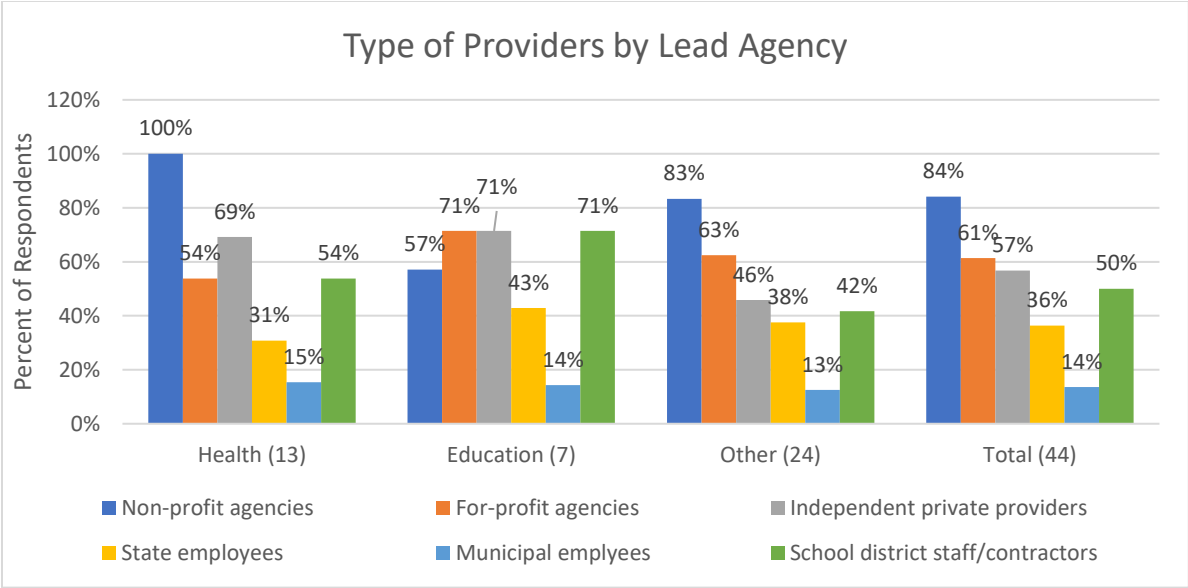
44. What type of fiscal monitoring does the state lead agency, or a contracted entity, conduct of participating entities? Check all that apply.

Forty-two states responded to this question. Fifteen states (35.8%) conduct desk audits on an annual basis and twenty-nine states (69.1%) do periodic desk audits. Two states (4.8%) conduct an onsite review of agency finances while twenty-three states (54.8%) conduct periodic reviews of agencies finances. Ten states (23.8%) conduct an onsite review of child records on an annual basis while twenty-one states (50%) conduct the child record reviews on a periodic basis.



45. What type of providers participate in the delivery of direct services in your system? Check all that apply.

Forty-two states responded to this question. Thirty-four states (80.9%) identified non-profit agencies, twenty-nine states (69%) identified for-profit agencies and twenty-six states (61.9%) identified independent private providers as participating in the delivery of direct services.



46. Do you use a competitive process to award contracts/subgrants to your service providers?

Forty states responded to this question. Twenty-six states (65%) responded yes, and 14 states (35%) responded no.

47. Do you have an agreement that allows provider agencies to keep some percentage of surplus earnings?

Forty-two states responded to this question. Twenty-two states (52.4%) responded that they do not allow states to keep surplus earnings. Nineteen states (45.3%) responded that they do not track surplus earnings. Only one state (2.4%) responded yes; they did allow provider agencies to keep some percentage of surplus earnings.

48. Does your state include in your federal grant application (Section III.F.6 and Section IV.B) a restricted indirect rate or an approved restricted rate in a cost allocation plan? Check all that apply.

Forty -two states responded to this question. Twelve states (28.6%) responded that they had a restricted indirect cost rate. Twelve states (28.6%) have an approved rate included in the lead agency's cost allocation plan. Fourteen states (33.4%) have no restricted indirect cost rate.