



STATE OF MICHIGAN  
DEPARTMENT OF EDUCATION  
LANSING

RICK SNYDER  
GOVERNOR

MICHAEL P. FLANAGAN  
SUPERINTENDENT OF  
PUBLIC INSTRUCTION

January 24, 2011

**MEMORANDUM**

TO: State Board of Education

FROM: Michael P. Flanagan, Chairman 

SUBJECT: Approval of *Early On*<sup>®</sup> Policy on System of Payments and Policy on Screening of Children Referred to *Early On*

At the October 12, 2010 State Board of Education (SBE) meeting, the SBE approved the *Early On* Policy on System of Payments and Policy on Screening of Children Referred to *Early On* to go out for public hearings. The Office of Early Childhood Education and Family Service (ECE&FS) conducted hearings in November and accepted public comment through December 12, 2010. Based on public comments, ECE&FS clarified and revised the policies. The Michigan Interagency Coordinating Council also supports the policies.

**Early On Policy on System of Payments**

To align with federal requirements, a System of Payments Policy was developed by ECE&FS with stakeholder input. The policy provides enhanced detailed information regarding the financing of early intervention services for Part C eligible children and their families. The continuous challenging economic environment and loss of population result in decreased *Early On* federal awards. This decrease in funds, coupled with an increase in demand for services, requires the system to assure all available resources are accessed for families. The System of Payments policy consolidates and affirms current practice and ensures consistent use of resources in all *Early On* service areas.

**Policy on Screening of Children Referred to Early On**

A comprehensive system of early intervention services requires coordinated and rigorous standards to identify and locate eligible children. The ECE&FS developed a policy that delineates the expectation for screening to identify and locate eligible infants and toddlers. The screening policy will assure more timely identification of eligible children and potentially decrease the cost of evaluation.

It is recommended that the State Board of Education approve the *Early On* Policy on System of Payments and Policy on Screening of Children Referred to *Early On*, as described in the Superintendent's memorandum dated January 24, 2011.

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**Michigan System of Payments Policy for Part C of  
the Individuals with Disabilities Education Act (IDEA)**

Under federal law for Part C of IDEA, a System of Payments must address core components to detail how services will be paid for in its early intervention system for infants and toddlers. A combination of local, state, and federal resources must be accessed to meet the payor of last resort requirements [34 CFR §303.527]. Michigan's System of Payments includes the core components as outlined below.

1. **Core Early Intervention Services** are provided at **no cost** to the family through a combination of local, state, and federal funds.
  - Screening, identification and referral
  - Evaluation
  - Assessment
  - Development and review of the Individualized Family Service Plan (IFSP)
  - Service coordination
  - Procedure safeguards and other components under subparts D, E, and F of the IDEA Part C regulations in 34 CFR Part 303
  - All special education and related services that constitute a free, appropriate public education or FAPE for eligible children under Michigan's birth mandate. Additional information on Michigan's birth mandate can be found in the Michigan Administrative Rules for Special Education at:  
[http://www.michigan.gov/mde/0,1607,7-140-6530\\_6598\\_7376-132157--\\_00.html](http://www.michigan.gov/mde/0,1607,7-140-6530_6598_7376-132157--_00.html)
  - Michigan Medicaid School Based Services as detailed in the state Medicaid Provider Manual at: <http://www.mdch.state.mi.us/dch-medicaid/manuals/MedicaidProviderManual.pdf>
  
2. **Co-payments**: Co-payments for services provided through state and local programs will be allowed as specified under participating agency policies. The Michigan Department of Community Health may charge a co-payment for its various health programs. However, as noted in 1 above, no co-payments or costs will be charged for those special education and related services of an eligible child. Additional information can be found at:
  - Michigan Department of Community Health-Public Health  
<https://healthcare4mi.com>
  
3. **Sliding Fee Scales**: Michigan will use the sliding fee scales, if applicable, for services indicated at:
  - Michigan Department Community Health-Mental Health  
<http://www.state.mi.us/orr/emi/admincode.asp?AdminCode=Single&AdminNum=33008005&Dpt=CH&RngHigh=>

Parents must pay the fee indicated on the sliding fee scale except that no fees will be charged to a parent for any FAPE services for children eligible for special education and related services.

4. **Private insurance will not be accessed to pay for Part C services by the intermediate school districts for any child participating in birth mandated special education services under Part C of IDEA.**
5. **Payor of Last Resort:** Michigan *Early On* assures that federal funds available under Part C of the IDEA shall be used a payor of last resort, consistent with IDEA section 640 and applicable provisions in 34 CFR §303.527 and that it will assist families to access all available federal, state, local, and public and private resources that provide payment for services and supports.
6. Parents may use the IDEA procedural safeguards if there are any questions regarding the parent's ability at 34 CFR §303.52(b)(3)(ii). Additional information on these procedural safeguards may also be found in the *Early On* Family Rights Guide booklet available at [www.1800EarlyOn.org](http://www.1800EarlyOn.org).

**Michigan Policy on Screening of Children Referred to Part C of the  
Individuals with Disabilities Education Act (IDEA)**

As part of the child find system, screening may take place to determine whether a child is suspected of having a developmental delay of 20 percent or more in one developmental domain. Individual child screening is not a mandatory procedure prior to multidisciplinary team evaluation and assessment and may not be used to extend the 45-day timeline for Individualized Family Service Plan (IFSP) development.

If the screening indicates that the child is suspected of having a developmental delay that meets the states definition, an evaluation must be conducted.

If the service area believes, based on screening and other available information, that the child is not eligible for *Early On*<sup>®</sup>, the service area must ensure that written prior notice is provided to the parent. If the parent still requests an evaluation, one must be performed.

An appropriate screening tool must be utilized.