

# OSEP'S IDEA PART C FISCAL MONITORING

## *An Overview and Introduction to the Monitoring Protocols*

OSEP'S NOVEMBER 2016  
NATIONAL TA CALL



# Goals for this Presentation



- Provide an Overview of OSEP's Fiscal Monitoring in Context of Differentiated Monitoring and Support (DMS)
- Provide an Overview of Fiscal Monitoring Focus Areas
- Review Monitoring Protocols
- Discuss Next Steps

# OVERVIEW OF DMS

# DMS BASICS



- Not a one size fits all monitoring. Monitoring and support based upon needs of State and best use of OSEP resources.
- Based upon assessment of risk to the Department and IDEA:
  - Starts with Organizational Assessment in key areas
  - Evaluates additional factors about State and OSEP resources
  - All States receive designation of intensive, targeted or universal in each key area

# Organizational Assessment Areas



Each State is scored based on a rubric in the following areas:

- Results
- Compliance
- Special Focus Area (2016-17—Child Find)
- Fiscal
- SSIP

# Engagement Decision Tree



Results				
Determination Matrix Percentage	Any factors that may contribute to elevated risk	TA accessed	Additional Information	Final IT recommendation re: level of monitoring and TA
Compliance				
Determination Matrix Percentage	Any factors that may contribute to elevated risk	TA accessed	Additional Information	Final IT recommendation re: level of monitoring and TA
Special focus: State-level Dispute Resolution System				
Organizational Assessment Score	Any factors that may contribute to elevated risk	TA accessed	Additional Information	Final IT recommendation re: level of monitoring and TA
Fiscal				
Organizational Assessment Score	Any factors that may contribute to elevated risk	TA accessed	Additional Information	Final IT recommendation re: level of monitoring and TA
SSIP				
	Challenges or barriers to implementation	TA accessed	Additional Information	Final IT recommendation re: level of monitoring and TA

# DMS Notice



- After OSEP assigns final designations, States receive DMS notices, with designation for all monitoring areas
- OSEP State teams work with States to finalize and schedule intensive monitoring and targeted monitoring and support activities

# PART C FISCAL MONITORING



# Fiscal Risk Factors



<b>Turnover in Leadership</b>	<b>Change in Lead Agency</b>
<b>Size of the Award</b>	<b>Number of EIS Programs</b>
<b>Lapsed Funds</b>	<b>Late Liquidation Requests</b>
<b>Conditional Approval Due to Methods or SoP</b>	<b>Special Conditions</b>

# Monitoring Activities 2016-2017



- **Intensive Monitoring:** Visits focused on:
  - System of Payments
  - Methods
- **Targeted Monitoring and Support:** OSEP will provide support based on the needs of the State
- **Universal Support:** Webinars, Resources on GRADS 360, TA by phone and email

# SYSTEM OF PAYMENTS (SOP) PROTOCOL

# SoP: Objectives



- Highlight best practices for the field
- Provide TA to States
- Determine States' internal capacities and deficiencies requiring additional OSEP attention
- Examine implementation of SoP policies and procedures

# SoP: Protocol Components



- General requirements
- Use of private insurance
- Use of public benefits and insurance

# SoP: General Requirements



How State's general supervision system monitors the use of:

- public benefits or insurance,
- private insurance, and/or
- a schedule of sliding or cost participation fees to pay for Part C services

# SoP: Use of Private Insurance



- For all States, OSEP will examine the State's SoP, related procedures, and other supporting documentation
- For States whose approved SoP included a State statute/legislation that included the applicable protections related to accessing private insurance, OSEP will verify that the State's legislation continues to ensure the protections

# SOP: Use of Public Benefits or Insurance



How the State's general supervision system monitors the consent requirements for the use of public benefits or insurance:

- where child or parent is not already enrolled in the program; or
- if the use of that public insurance would result in specified costs to the family.



# Best Practices



- Detailed written policies and procedures in accordance with requirements
- Regular training to EI program staff
- Monitoring implementation of parental notification/consent provisions
- Monitoring for consistent implementation of the State's SoP and equitable service delivery
- Documentation demonstrating implementation by EI programs

# Documents needed



- For full list see Grads 360
- Examples include:
  - a. SoP policies/procedures
  - b. Documentation of implementation of the SoP
  - c. Evidence of Part C funds used as interim payor source
  - d. Monitoring protocols related to payor sources
  - e. Evidence of trainings

# METHODS PROTOCOL

# Methods: Objectives



- Highlight best practices for the field
- Provide TA to States
- Determine States' internal capacities and deficiencies requiring additional OSEP attention
- Examine implementation of the State's Methods
- Discuss the State's responsibility to ensure the provision of financial responsibility for Part C services

# Methods: Protocol Components



- Use of Funds Requirements
- Payor of Last Resort Requirements
- System of Payments (SoPs)
- Resolution of Fiscal Disputes
- Additional Components

# Use of Funds Requirements



- Examine whether the Methods that establish financial responsibility for the provision of Part C services with other State-level public agencies that provide or pay for services are consistent with the Part C use of funds requirements.

# Payor of Last Resort Requirements



- Understand what mechanisms the State uses to ensure that Part C funds are not used to satisfy a financial commitment for services that would otherwise have been paid for from another public or private source

34 CFR §§303.202 and 303.510

# System of Payments (SoPs)



- Examine whether the State's Method is consistent with the written funding policies adopted by the State, including the State's SoP regarding the use of insurance (public and/or private) to pay for Part C services.

34 CFR §§303.511(d)(2) and 303.520



# Resolution Fiscal Disputes



- Examine the mechanisms used by the State to:
  - Implement procedures for timely resolution of intra-agency and interagency disputes about payments or disputes about other matters related to the State's EI service program.
  - Reassign the financial responsibility to the appropriate agency, if appropriate; and make arrangements for reimbursement of any expenditures incurred by the agency originally assigned financial responsibility.
  - Ensure that no Part C services are delayed or denied because of disputes.

34 CFR §303.511

# Additional Components



- Examine any additional components of the State's Method necessary to ensure effective cooperation and coordination among other State-level public agencies that provide or pay for Part C services, and the lead agency's general supervision of EIS providers

34 CFR §303.511(e)

# Discussion Questions on Methods



- Do the uses of Part C funds described in the State's Method fall under the categories of cost described under the permissive use of funds requirements?
- What funding sources are used to pay for IDEA Part C services?
- Has the State followed its procedures for providing interim payments and reimbursements?

# Discussion Questions on Methods (cont'd)



- Is the State's Method consistent with the SoP established by the lead agency?
- Do other State-level agencies provide EI services and, if so, how does the State ensure that those agencies operate consistently with the SoP?
- Has the lead agency experienced any intra-agency and/or interagency disputes about payments for a given service? How did the lead agency implement its procedures and achieve a timely resolution of that dispute?

# Documents Needed



- For full list see Grads 360
- Examples include:
  - State's Method
  - Documentation of implementation of Method
  - Evidence of monitoring/oversight of implementation
  - Evidence of training/implementation in partner agencies
  - Documentation related to the fiscal dispute system

# Resources



Relevant resources have been posted on <https://osep.grads360.org/#program/fiscal-monitoring>, including:

- This PowerPoint
- Monitoring Protocols
- Fiscal Monitoring Overview
- Related Resources

# More Questions?

Contact your Fiscal Accountability  
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