

Annotated Version of
OSEP Checklist for Reviewing a Method Under
Section II.A.3.b. of the IDEA Part C Grant Application

Under IDEA section 640 and new 34 CFR §303.511, each State must have in place a written method to establish financial responsibility for the provision of Part C services if there are State-level agencies, other than the State lead agency, that provide or pay for Part C services in the State. If the State uses any Method other than State statute or regulation (i.e., an interagency agreement or another appropriate written method) to ensure the provision of, and financial responsibility for, Part C services, the State must submit, consistent with 34 CFR §303.203(b)(2), that Method (the agreement or other written method) to the Department as part of Section II.A.3.b. of the State’s IDEA Part C grant application.

OSEP reviewed the State’s Method (which is the document titled, _____, and dated _____) submitted under Section II.A.3.b of the State’s IDEA Part C grant application under IDEA Section 640 and 34 CFR §303.511, and has identified the following issues:

<u>IDEA Part C Requirement</u>	<u>State’s Policy</u>	<u>Issue</u>	<u>Required Action</u>
<u>Use of Funds</u> – The use of IDEA Part C funds in each Method must be consistent with Subpart F, including the use of funds requirements in 34 CFR §303.501. 34 CFR §303.202.		<i>The Method does not need to include a reference to use of funds, but any provisions in the Method must be consistent with the use of funds requirements in §303.501.</i>	
<u>Payor of Last Resort</u> – The Method must be consistent with the payor of last resort requirement that Part C funds may not be used to satisfy a financial commitment for services that would otherwise have been paid for from another public or private source, consistent with 34 CFR §303.510. 34 CFR §303.202.		<i>The Method does not need to include a reference to payor of last resort, but any provisions in the Method must be consistent with the payor of last resort requirements in §303.510.</i>	
<u>System of Payments (SOPs), Use of Insurance, if applicable</u> – The Method must include any provisions, or a cross-reference to the policies, that the State has adopted under 34 CFR §303.520 regarding the use of insurance to pay for Part C services, consistent with 34 CFR §303.511(d)(2).		<i>The Method can include a general reference to the State’s SOP policy.</i>	
<u>System of Payments, Fees, if applicable</u> - If a State has a system of payments, including sliding fees or cost participation fees, the Method must be consistent with			

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those policies, which the State has adopted in writing and established under 34 CFR §§303.520 and 303.521. (34 CFR §303.511(d)(2))			
<u>Timely Resolution of Disputes, Final Determination</u> - The Method must include procedures for achieving a timely resolution of intra-agency and interagency disputes about payments for a given service, or disputes about other matters related to the State’s early intervention service program. Those procedures must include a mechanism for resolution of disputes within agencies and for the Governor, Governor’s designee, or the lead agency to make a final determination for interagency disputes, which determination must be binding upon the agencies involved (34 CFR §303.511(c)(1))		<i>The Method must include procedures for interagency disputes.</i>	
<u>Timely Resolution of Disputes, Internal Agency Procedures</u> - The Method must permit the agency to resolve its own internal disputes (based on the agency’s procedures that are included in the agreement), so long as the agency acts in a timely manner (34 CFR §303.511(c)(2)(i))		<i>The Method must include procedures for intra-agency disputes.</i>	
<u>Timely Resolution of Disputes, Lead Agency process</u> - The Method must include the process that the lead agency will follow in achieving resolution of intra-agency disputes, if a given agency is unable to resolve its own internal disputes in a timely manner (34 CFR §303.511(c)(2)(ii))		<i>See above.</i>	
<u>Timely Resolution of Disputes, Financial Responsibility</u> - The Method must provide that if, during the lead agency’s resolution of the dispute, the Governor, Governor’s designee, or lead agency determines that the assignment of financial responsibility under this section was inappropriately made, the Governor, Governor’s designee, or lead agency must reassign the financial responsibility to the appropriate agency; and the lead agency must make arrangements for reimbursement of any expenditures incurred by the agency originally assigned financial responsibility (34 CFR §303.511(c)(3))		<i>The Method must address this requirement.</i>	

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<p><u>Services Pending Resolution of Disputes</u> - The Method must include a mechanism to ensure that no services that a child is entitled to receive under this part are delayed or denied because of disputes between agencies regarding financial or other responsibilities (34 CFR §303.511(d)(1))</p>		<p><i>This requirement must be addressed in the Method in some way.</i></p>	
<p><u>Additional Components</u> - The Method must include any additional components necessary to ensure effective cooperation and coordination among, and the lead agency's general supervision (including monitoring) of, EIS providers (including all public agencies) involved in the State's early intervention service programs (34 CFR §303.511(e))</p>		<p><i>This language is not required to be in the Method. Rather, a State may elect to include additional language it deems necessary for implementation and OSEP must review that language for consistency with the Part C requirements.</i></p>	
<p><u>Consistent with Section 635 and application</u> - The Method must be consistent with the Statewide system requirements in IDEA section 635 and the State's IDEA Part C application (34 CFR §303.511(a)(2)).</p>		<p><i>This language is not required to be in the Method, but the Method must be consistent with the IDEA Part C system requirements.</i></p>	