

Open for Public Comment

Louisiana Department of Health, Office for Citizens with Developmental Disabilities, EarlySteps is seeking public comment on the following documents:

- EarlySteps Policy for Fiscal Management
 - Removal of private insurance as a funding for early intervention services.

Public comment period is from **March 20, 2026 - May 20, 2026**.

Submit comments to:

- LDH/OCDD EarlySteps
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Baton Rouge, LA 708021-3117
- Email: EarlyStepsQA@la.gov
- Call: (225) 342-8853

XII. POLICIES AND PROCEDURES RELATED TO FINANCIAL MATTERS

This section addresses the lead agency's system of policies and procedures for

(1) Use of Funds (303.501)

(2) Payor of Last Resort Provisions (303.510-511)

(3) The System of Payments (303.521)

(1) Permissive Use of Funds by the Lead Agency (303.501)

The lead agency uses IDEA, Part C funds for direct early intervention services for infants and toddlers with disabilities and their families that are not otherwise funded through other public or private sources and to expand and improve services for infants and toddlers with disabilities and their families that are otherwise available.

(2) Payor of Last Resort (303.510)

(a) Nonsubstitution of funds. Except as provided in paragraph (b) below, funds under IDEA, Part C will not be used to satisfy a financial commitment for services that would otherwise have been paid for from another public or private source, including any medical program administered by the Department of Defense. Therefore, funds under this part may be used only for early intervention services that an infant or toddler with a disability needs but is not currently entitled to receive or have payment made from any other Federal, State, local, or private source (subject to §§303.520 and 303.521).

(b) Interim payments--reimbursement. If necessary to prevent a delay in the timely provision of appropriate early intervention services to a child or the child's family, funds under this part may be used to reimburse:

- the provider of services (for services and functions authorized under this part, including health services, as defined in §303.16 (but not medical services);
- for functions of the child find system described in §§303.115 through 303.117 and §§303.301 through 303.320;
- for evaluations and assessments in §303.321;

and although Louisiana does not use Part C funds to pay for costs such as premiums, deductibles, or co-pays, it does not prohibit the use of Federal Part C funds to pay for these if such payment is needed for the timely provision of services pending reimbursement from the agency or entity that has ultimate responsibility for the payment.

(c) Non-reduction of benefits. Nothing in this part may be construed to permit a State to reduce medical or other assistance available in the State or to alter eligibility under Title V of the Social Security Act, 42 U.S.C. 701, et seq. (SSA) (relating to maternal and child health) or Title XIX of the SSA, 42 U.S.C. 1396 (relating to Medicaid), including section 1903(a) of the SSA

regarding medical assistance for services furnished to an infant or toddler with a disability when those services are included in the child's IFSP adopted pursuant to Part C of the Act.

(3) System of Payments (34 CFR 303.520-521)

POLICIES RELATED TO PAYMENT FOR SERVICES

The Louisiana Department of Health is responsible for policies related to payment of Early Intervention Services for eligible children as required. Under its 2007 State Application, the State submitted a system of payments for Part C services. This policy supersedes the State's 2007 system of payment policy. This policy addresses the use of family fees, based on the Family Cost Participation Table and the use of public benefits or public insurance (Medicaid), ~~and the use of private insurance~~ to pay for early intervention services.

The state of Louisiana assures that fees are not charged to parents for the services that a child is otherwise entitled to receive at no cost. Further, the state assures that the inability of parents of an eligible child to pay for services does not result in denial of services to the child or the child's family. The State will provide written notification to the child's parents and obtain parental consent for the use of public benefits (Medicaid) ~~or private insurance~~ to pay for early intervention services. If the parent does not provide consent for the use of public benefits ~~or private insurance~~ to pay for early intervention services, the lack of consent will not be used to delay or deny any services to the child or family, and the lead agency will still make available those Part C services for which the parent has provided consent.

Families 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~~. EarlySteps does not currently collect private insurance information or bill private insurance.

These policies are consistent with the system of payment policies as outlined in 34 CFR 303.520 and 303.521.

The following are required functions that must be carried out at public expense, and for which no fees may be charged to parents:

1. Implementing the child find requirements in §§303.301 through 303.303.
2. Evaluation and assessment, in accordance with §303.320, and the functions related to evaluation and assessment in §303.13(b).
3. Service coordination services, as defined in §§303.13(b)(11) and 303.33.
4. Administrative and coordinative activities related to—
 - (i) The development, review, and evaluation of IFSPs and interim IFSPs in accordance with §§303.342 through 303.345; and
 - (ii) Implementation of the procedural safeguards in subpart E of this part and the other components of the statewide system of early intervention services in subpart D of this part and this subpart.

The following services are provided at no cost to parents:

- ~~1. child find activities;~~
- ~~2. evaluation and assessment for eligibility and IFSP planning purposes;~~
- ~~3. service coordination;~~
- ~~4. administrative and coordinative activities related to the development, review, and evaluation of IFSPs;~~
- ~~5. implementation of procedural safeguards and other components of the statewide system related to Subpart D of the regulations.~~
- ~~6. all Part C services on the child's IFSP, consented to by the parent, when the family meets the State's definition of inability to pay (described below).~~

EarlySteps provides the *Family Rights Handbook* to parents when obtaining consent for the provision of early intervention services. The *Handbook* explains to parents that if they wish to contest the imposition of a fee, or the State's determination of the parent's ability to pay, they may participate in mediation, request a due process hearing, or file a State complaint. The *Handbook* explains how to take those actions.

Determination of Ability or Inability to Pay

Inability to Pay is defined as income at or below 300% of the Federal Poverty Level as calculated using the Family Cost Participation table (including family size). Ability of a family to pay is regarded as an income of greater than 300% of FPL using the established cost participation table.

Upon initial determination of eligibility and annually thereafter, the intake/service coordinator discusses the cost participation requirements with the family. The service coordinator reviews the required documents that the family must submit for income verification (including tax information, paystubs, W-2 forms, etc.). The family can also produce any extraordinary expenses associated with the child and/or other family members for further consideration of their ability to pay for services. These expenses may include unreimbursed medical expenses, equipment, home modifications, etc. The rate schedule is reviewed with the family to discuss examples of potential costs to the family. The income and expenses information is submitted to the Central Finance Office for calculation of family fees, if applicable. For decisions regarding a family's potential inability to pay, the FSC will alert the Lead Agency and a decision will be rendered through a review by a regional/central office team of the family's payment requirement, payment adjustment, extraordinary expenses or waiver of payment and other submitted information.

At least annually, or at any time the lead agency determines that a reassessment of the parent's financial circumstances is warranted, the lead agency shall conduct such reassessment of financial status.

The family has the right to request a reassessment of their financial status at any time if there are significant changes affecting the determination of the cost participation amount. Such request

shall be in writing and submitted to the service coordinator.

In addition, families may request in writing an exemption of liability for fees if there are extenuating circumstances that would impose a significant financial hardship upon the family. Documentation supporting their request is submitted by the intake/service coordinator to the EarlySteps regional coordinator and the Central Office staff. The family and the intake/service coordinator then receive a response to the request from the regional coordinator. The response by the lead agency may result in a determination that a family has an inability to pay for early intervention services that are subject to cost.

Families must agree to inform their service coordinator of any changes in their financial status throughout enrollment in services unless they have chosen to pay full cost for the services that are not required to be provided at no cost.

The inability of the parents of an infant or toddler with a disability to pay for services will not result in a delay or denial of services under this part to the child or the child's family such that, if the parent or family meets the State's definition of inability to pay, the infant or toddler with a disability must be provided all Part C services at no cost.

EarlySteps Service Rate Schedule and Family Cost Participation Table

If a family is determined to have the ability to pay based on the definition above, the family shall be liable for the participation in the cost of service that their child receives while enrolled in EarlySteps, as described below. The aggregate contributions made by the parent shall not exceed the aggregate cost of the early intervention services received by the child and family (factoring in any amount received from other sources for payment for that service). Families who have the ability to pay, and are charged a fee on the Family Cost Participation Table, but who choose not to pay that fee may be determined by the Lead Agency as ineligible to continue to receive the services that are not required to be provided at no cost to the family until payment is made.

The EarlySteps Service Rate Schedule is used to determine the full cost of each service, and is based on the amount paid to providers. A copy of the current Service Rate Schedule follows this section.

The Family Cost Participation Table is a list of fees, based on family size and income that may be charged to families. Based on the family size and income level, a family may be placed on the Family Cost Participation Table at a level equal to the fees on the Service Rate Schedule. A copy of the current Family Cost Participation Table follows this section. It is adjusted annually with adjustments to the Federal Poverty Level (FPL).

The following paragraphs explain how the Service Rate Schedule and Family Cost Participation Table are used to determine what, if any, fees will be charged to families.

No Fees if Family is Determined Unable to Pay, or For Services Required to be Provided at No Cost

Parents are not charged any fees on the EarlySteps Service Rate Schedule or Family Cost Participation Table if they are determined to have an inability to pay (based on the state's definition outlined above), or for the services that are required to be provided at no cost to families.

Full Cost of Services, if Families Do Not Disclose Financial Information

If families do not provide the requisite income information, they will be charged the full cost of early intervention services, based on the EarlySteps Service Rate Schedule, for all services consented to on the IFSP that are not required to be provided at no cost.

Families Not Using Public ~~or Private~~ Insurance to Pay for Early Intervention Services

Two circumstances when the Family Cost Participation Table will be used to determine family fees for early intervention services (except for the services required to be provided at no cost) are:

- Family does not have public ~~or private~~ insurance
- Family does not consent to the use of public ~~or private~~ insurance for early intervention services for which fees are applicable

Families Using Public Insurance to Pay for Early Intervention Services

If parents consent to use public insurance to pay for early intervention services, no other fees are charged to the family for any early intervention services on the child's IFSP consented to by the parent for which fees are applicable.

Families ~~Using~~ Who Have Private Insurance ~~to Pay for Part C Services~~

~~If parents consent to use private insurance to pay for early intervention services, the Family Cost Participation Table is used to determine any applicable fees, based on the family's size and income level, for the early intervention services that are not covered by the private insurance and that are not required to be provided at no cost to the family.~~

EarlySteps does not currently collect private insurance information or bill private insurance.

Use of Public Benefits or Medicaid:

Families of children enrolled in Medicaid will not have any cost share for early intervention services when consent is given to use Medicaid to pay for early intervention services. Consent is obtained prior to using Medicaid as a payor for early intervention services on the IFSP.

Families are not required to sign up for or enroll in public benefits or insurance programs as a condition of receiving Part C services. Families may wish to apply for Medicaid if they are not already enrolled and the family provides consent to the application.

EarlySteps services are part of the Medicaid EPSDT program and the State has made the decision not to assess third party liability for families whose children are Medicaid eligible and are also covered by private insurance. Therefore, families are informed that there are no costs incurred by the family in the use of Medicaid as payment for early intervention services. Parents will incur no costs for co-payments, deductibles or premiums as a result of using Medicaid to pay for the child's early intervention services and Medicaid will not be billed for early intervention services if a family has not provided consent to do so.

Written, Prior Notice to Families for use of Public Benefits or Public Insurance:

EarlySteps uses its *Family Rights Handbook* to explain to families their rights and protections under IDEA, Part C. The *Handbook* is provided to parents prior to using a child's or parent's public benefits or insurance to pay for early intervention services, and each time consent is required. The notice includes:

1. A statement that parental consent is obtained prior to using Medicaid as a payor for early intervention services on the IFSP, and that if the parent does not provide the consent to use Medicaid, the State lead agency must still make available those Part C services on the IFSP for which the parent has provided consent; and
2. A statement that families will incur no costs as a result of allowing the use of their child's Medicaid for early intervention services.

Use of Private Insurance:

~~Families may choose to use private insurance for payment of early intervention services for insurance covered services. Parental consent for the use of private insurance is obtained each time consent for services is required in accordance with 303.420 including when using private insurance or benefits to pay for the initial provision of early intervention services and when an increase is proposed (in frequency, length, duration, or intensity) in the provision of services in the child's IFSP.~~

Written, Prior Notice to Families for use of Private Insurance:

~~Louisiana provides a copy of its system of payments policy when obtaining parent consent to use private insurance to pay for Part C services. The policy is included in the *Family Rights Handbook* and includes the description of the potential costs that the parent may incur when their private insurance is used to pay for early intervention services (such as co-payments, premiums, or deductibles or other long term costs such as the loss of benefits because of annual or lifetime~~

~~health insurance coverage caps under the insurance policy). Families are responsible for all deductibles, co-pays, and premiums or other fees required by their own insurance plan.~~

~~In addition to any co-payments, premiums, or deductibles that families may have to pay for services covered by insurance, families who consent to the use of private insurance to pay for Part C services will also be assessed the costs for any early intervention services not covered by private insurance according to the Family Cost Participation Table, if the family is determined to have the ability to pay.~~

~~The lead agency will not bill private insurance for the services listed above that are required to be provided at no cost to families, and families will not be required to pay a fee on the Family Cost Participation Table for those no-cost services.~~

~~Families have the right to deny the use of private insurance coverage to pay for Part C services for any reason, including if a financial loss such as a decrease in available lifetime coverage or discontinuation of policy may occur. If families do not consent to the use of private insurance to pay for Part C services, the Family Cost Participation Table is used to determine any applicable fees for services that are not required to be provided at no cost to the parents, if the family is determined to have the ability to pay.~~

IDENTIFICATION AND COORDINATION OF RESOURCES

LDH is responsible for the identification and coordination of all available resources for early intervention services within the state, including those from Federal, state, local and private sources and updating the information regarding funding sources in the event that a legislative or policy change occurs.

The Federal funding sources available for the Part C program include:

1. Title XIX of the Social Security Act (relating to the General Medicaid Program and EPSDT);
2. IDEA, Part C;
3. Subpart 2 of Part D of Chapter 1 of Title 1 of the Health and Hospitals Education Act of 1965 as amended;
4. The Developmentally Disabled Assistance and Bill of Rights Act, (PL 94-103); and,
5. Title XXI, LACHIP (SCHIP),

LDH coordinates resources to support the early intervention system with the following federal programs:

1. Title V of the Social Security Act (relating to Maternal and Child Health);
2. The Head Start Act
3. Substance Abuse and Mental Health Services Administration (SAMHSA)
4. Other federal programs, including but not limited to Temporary Assistance to Needy Families (TANF), Title IV, the Child Care Development Fund, Early Head Start, etc.

The following represent state and local funding sources for the Part C system in Louisiana:

1. State general revenue funds;
- ~~2. Private insurance with written parental consent~~
3. Private agency support; and,
4. Local foundations.

Enrollment in Medicaid and Use of Part C Funds

Federal regulations for Part C of the Individuals with Disabilities Education Act stipulate that Part C funds are to be used only for early intervention services that an eligible child needs but is not currently entitled to under any other Federal, state, local, or private source.

Medicaid funds are a source of payment for early intervention services when appropriate for children dually enrolled in Medicaid and Part C. All service coordinators (intake and/or family) are required to inform families that they believe to be potentially Medicaid-eligible of the benefits of the Medicaid program and urge their participation. Medicaid-eligible families will not be required to enroll with Medicaid. If a family determined to be potentially eligible for Medicaid chooses not to apply for Medicaid, the Family Cost Participation Table will be used to determine any applicable fees for services that are not required to be provided at no cost to the parents, if the parents are determined to have the ability to pay.

Enrollment in Title V and Use of Part C Funds

Federal regulations for Part C of the Individuals with Disabilities Education Act stipulate that funds under this part are to be used only for early intervention services that an eligible child needs but is not currently entitled to under any other Federal, state, or private source.

Title V funds are a required source of payment for early intervention services when appropriate for children dually enrolled in Title V and Part C. All service coordinators (intake and/or family) are required to inform families that they believe are potentially Title V-eligible of the benefits of the Title V program and assist families in referring to the program. Families are not required to enroll in Title V programs as a condition of receiving Part C services.

Proceeds from Public Insurance or benefits ~~or Private Insurance~~

LDH assures that proceeds from public insurance or benefits ~~or private insurance~~ are not treated as program income for purposes of ~~34 CFR 80.25~~ 2 CFR 200.307. Further, if a public agency receives reimbursements from Federal funds (such as Medicaid) for services under this part of the Act, those funds are not considered state or local funds for purposes of the provisions contained in Section 303.225(b). ~~If the State spends funds from private insurance for early intervention services, those funds are considered neither State nor local funds.~~

Funds received from a parent or family member under the System of Payments (303.521) are considered program income under ~~34 CFR 80.25~~ 2 CFR 200.307. These funds:

- (1) Are not deducted from the total allowable costs charged under Part C of the Act (as set forth in ~~34 CFR 80.25(g)(1)~~ 2 CFR 200.307 (b)(1);
- (2) Must be used for the State's Part C early intervention services program, consistent

with ~~34 CFR 80.25(g)(2)~~ 2 CFR 200.307 (b)(3); and

(3) Are considered neither State nor local funds under §303.225~~(b)~~.

Family Notice of Cost Participation

In the *Family Rights Handbook*, given to families each time consent is required, including when requesting consent for the provision of early intervention services and the use of public ~~or private~~ insurance to pay for early intervention services, families are fully informed and are provided notice of the following:

1. which services are provided at no cost;
2. the information above regarding the Family Cost Participation Table and the process to reduce the contribution if the charges create a barrier to services or financial hardship;
3. proof of family income is required to access the Family Cost Participation Table, and proof of gross income and expenses are required to process for consideration of extenuating circumstances and/or extraordinary expenses affecting the family's ability to pay for early intervention services;
4. their right to refuse to provide proof of income, however, the full cost of services will be charged according to the Service Rate Schedule;
5. the availability of all procedures to resolve disagreements regarding assessed costs and use of public ~~or private~~ insurance should they occur in accordance with Part C requirements;
6. the inability of parents to pay for services will not result in a delay or denial of services. If the family meets the State's definition of inability to pay, all early intervention services will be provided at no cost.
7. their right to provide (or not provide) consent to use public benefits or insurance ~~or private insurance~~ to cover services, as described above; and
8. their right to have all financial information maintained in accordance with federal and state requirements for confidentiality.

XIII. INTERAGENCY AGREEMENTS; RESOLUTION OF INDIVIDUAL DISPUTES

COORDINATION WITH HEAD START, EARLY HEAD START, EARLY EDUCATION, AND CHILD CARE PROGRAMS (303.210)

- (a) occurs through the following:
- (1) interagency agreements at the state, regional and local level for coordination of activities
 - (2) participation of representatives on the SICC and regional ICC's and other joint planning and implementation activities
 - (3) outreach to local and regional Head Start, Early Head Start contractors and child care programs
 - (4) referral procedures to Part C and from Part C for identified, eligible children and to

facilitate successful transition at age 3 year.

- (5) training to support inclusion of children with disabilities in all early education settings including participation on the Special Quest state leadership team and other similar activities.
- (b) Participation of the Lead Agency on Louisiana's Early Childhood Advisory Council (ECAC): the Early Childhood Care and Education Advisory Council.
 - (1) The Part C Coordinator is an appointed member
 - (2) Other central and regional office Part C staff and contractors participate in ECAC workgroups addressing all aspects of the early childhood care and education system in Louisiana.

METHODS TO ENSURE THE PROVISION OF, AND FINANCIAL RESPONSIBILITY FOR, PART C SERVICES (303.511)

The lead agency has in place formal interagency agreements with other agencies to assist in the implementation of the Part C system include the following:

1. the financial responsibility of each agency for paying for early intervention services that is consistent with state law and Part C requirements;
2. the procedures for achieving a timely resolution of intra- and interagency disputes about payments for a given service(s) or other aspects of the state's early intervention program. The procedures include a mechanism for making a final determination that is binding upon the agencies involved;
3. the process that permits each state agency participating in the State's early intervention program to resolve any internal disputes so long as the agency does so in a timely manner. Should an agency be unable to resolve its own internal dispute in a timely manner through their own agency's dispute resolution procedures, LDH will follow the procedures identified in the section below to achieve resolution of intra-agency disputes; and,
4. any additional components necessary to ensure effective cooperation and coordination among all agencies involved in the State's early intervention program

DELIVERY OF SERVICES IN A TIMELY MANNER ~~PENDING DISPUTE RESOLUTION~~ (34 CFR 303. 511(d))

LDH has developed the following procedures to ensure services are provided in a timely manner pending resolution of disputes among public agencies or service providers so that no services that a child is entitled to receive are delayed or denied due to inter- and/or intra-agency disputes.

Pending resolution of a dispute, LDH will utilize Part C funds to directly pay for services. LDH will conduct a review with parties involved. The assignment of financial responsibility will be reviewed by an interagency panel consisting of appropriate staff members designated by the appropriate director(s) of the state agencies.

The panel will provide a recommendation of their decision to the Secretary of the Louisiana Department of Health and appropriate Department directors who will render a decision. This decision will reassign the fiscal responsibility to the appropriate agency and make arrangements to reimburse expenditures incurred by LDH. In the event the decision is not satisfactory, the parties involved shall refer the dispute to the Governor. Services will continue to be provided during the resolution of the dispute.

REIMBURSEMENT PROCEDURES

~~The central finance office will administer payment for all early intervention services. The central finance office will also seek reimbursement from the appropriate funding sources such as Medicaid, etc.~~

Louisiana Medicaid will administer payment for Medicaid covered early intervention services for eligible recipients. The central finance office will administer payment for Part C early intervention services not covered by Medicaid.

XIV. POLICY FOR CONTRACTING OR OTHERWISE ARRANGING FOR SERVICES (34 CFR 303.121)

LDH has established policies for contracting or making other arrangements with public or private service providers to provide early intervention services. Agencies and individuals who meet the state standards described in this application will enroll with a Central Finance Office and with the Medicaid Fiscal Intermediary when appropriate. The Central Finance Office and Medicaid Fiscal Intermediary contract with LDH to implement a provider enrollment and claims processing system that is electronically connected to a payment system for processing and paying claims. Providers sign enrollment agreements with the respective contractors.

XV. EARLY INTERVENTION SERVICES IN NATURAL ENVIRONMENTS (303.126)

The State of Louisiana assures that, to the maximum extent appropriate, early intervention services are provided, in natural environments; and the provision of early intervention services for any infant or toddler occurs in a setting other than natural environment only when the early intervention services cannot be achieved satisfactorily in a natural environment.

Family Cost Participation Table

2025 Federal Poverty Level-Annual Income Schedule

Family Size	300%	350%	400%	450%	500%
1	\$46950	\$54775	\$62600	\$70425	\$78250
2	\$63450	\$74025	\$84600	\$95175	\$105750
3	\$79950	\$93275	\$106600	\$119925	\$133250
4	\$96450	\$112525	\$128600	\$144675	\$160750
5	\$112950	\$131775	\$150600	\$169425	\$188250
6	\$129450	\$151025	\$172600	\$194175	\$215750
7	\$145950	\$170275	\$194600	\$218925	\$243250
8	\$162450	\$189525	\$216600	\$243675	\$270750
Per Hour	\$24	\$28	\$32	\$36	\$40
Maximum Monthly	\$241	\$281	\$321	\$361	\$401

Explanation:

- a. The monthly maximum contribution (shown in yellow near the bottom of the schedule) is based on 3% of the annual income of a family of 4 across all of the income groups. The hourly service rate is calculated as 10% of the maximum monthly cap. This formula can be applied to families above the 500% income level to calculate their hourly rate and maximum cost using the FPL schedule.
- b. This calculation will be used annually when the FPL schedule is updated.
- c. For eligible children covered by Medicaid, the family will not contribute to the cost of any services.
- d. The following services be provided at no cost to all families: Child Find and Referral, Evaluation and Assessment, IFSP Development, Service Coordination, and Procedural Safeguards (Parents' Rights).

**EarlySteps Service Rate Schedule
Louisiana Part C System**

Billing Category	Center-based Special Purpose Facility	Special Purpose Facility With Inclusive Child Care	Natural Environment Home and Community
OT,PT,SLP*,RN, Psychologist	\$16.58/unit	\$17.55/unit	\$26.77/unit
Special Instruction, Orientation/Mobility Specialist, RD, LPN, MSW	\$10.73/unit	\$11.70/unit	\$19.44/unit
Special Instruction for Children with Sensory Impairments Vision Services	\$18.85/unit	\$21.13/unit	\$34.39/unit
Eligibility Evaluation	\$234	\$247	\$254.80
Multidisciplinary Eligibility Evaluation	\$	\$	\$
Translator/Interpreter	\$13 per unit		
Service Coordination	\$169 per month		
	1 unit = 15 min *CPT 92507 billed as episode rate (\$107.07)		