

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
Med-QUEST Division
Health Coverage Management Branch
P. O. Box 700190
Kapolei, Hawaii 96709-0190

July 27, 2004

MEMORANDUM OF AGREEMENT
BETWEEN
DEPARTMENT OF HUMAN SERVICES
AND
DEPARTMENT OF HEALTH

This Memorandum of Agreement (MOA) between Med-QUEST Division (MQD) of the Department of Human Services (DHS) and Family Health Services Division (FHSD) of the Department of Health (DOH) provides Early Intervention Services to QUEST-eligible infants and toddlers as defined in Attachment 1. This MOA covers services from July 1, 2004 through June 30, 2005.

Early Intervention Services shall be furnished under the following authorities: Title XIX of the Social Security Act; Part C of the Individuals with Disabilities Education Act (IDEA); Hawaii Revised Statutes §321.357- the Part C Early Intervention State Plan approved by the U.S. Department of Education under Part C of IDEA.

I. The FHSD shall do the following:

- A) Provide services to Hawaii QUEST clients between birth and age three who meet the Part C eligibility requirements as established in HRS §321.357, as defined in Attachment 1 for the following categories:
1. Developmentally delayed;
 2. Biologically at-risk; and
 3. Environmentally at-risk.

Infants and toddlers residing in Intermediate Care Facilities for the mentally retarded/Nursing Facilities (ICF/MRs/NFs) are not covered by this AGREEMENT.

- B) Provide Early Intervention Services excluded from the medical QUEST plan contracts. Early Intervention Services under this AGREEMENT are defined under IDEA in the Code of Federal Regulations (34 CFR §303.1), included as Attachment 2.

1. Screening services include:

- a) Population-based screening and assessment to identify children at-risk for abuse and neglect;
- b) Developmental screening, including social-emotional screening, to determine need for Early Intervention Services; and
- c) Operation of the H-KISS information and referral service to provide a centralized point-of-contact and assignment of an interim care coordinator.

Not included are newborn hearing screening and newborn metabolic screening services, including the follow-up diagnostic testing to establish a diagnosis.

2. Care coordination services (defined as service coordination services in the IDEA definitions):

- a) Care coordinator to be assigned at the time of referral
- b) Provision of care coordination services to assure that appropriate screens, evaluations, reviews, and re-evaluations are completed on a timely basis
- c) Development of Individualized Family Support Plan (IFSP) with each family, and the required periodic review and re-evaluation, to meet the federal IDEA timeline requirements; and
- d) Ongoing activities by care coordinator to assure that Early Intervention Services and other services included in the child's IFSP are being provided on a timely basis.

3. Early Intervention Services as defined under Part C of IDEA and detailed in Attachment 2:

- a) Assistive technology services
- b) Audiology
- c) Family training, counseling, and home visits
- d) Health services

- e) Medical services (diagnostic or evaluation purposes only);
 - f) Nursing services
 - g) Nutrition services
 - h) Occupational therapy
 - i) Physical therapy
 - j) Psychological services
 - k) Service coordination
 - l) Social work services
 - m) Special instruction
 - n) Speech-language pathology
 - o) Transportation and related costs
 - p) Vision Services
- C) Determine the level, intensity, frequency, appropriateness and service modality of Early Intervention Services to be provided.
- D) Implement a process for notification upon a denied authorization for services.
- E) Ensure that all families are informed regarding their rights when they disagree about services. These rights include mediation and complaint resolution.
- F) Implement a process for notification of the recipient's right to file for a State Fair Hearing.
- G) FHSD shall ensure that policies and procedures are in place to support the Quality Assurance Plan (QAP). The QAP must be approved by the MQD. Ensure that contracts are in compliance with approved QAP and provisions under the Balanced Budget Act (BBA) applicable to a Prepaid Ambulatory Health Plan (PAHP)
- H) Assure that early intervention providers meet the qualifications as outlined in the federally approved Part C of the Hawaii State Plan for early intervention. Establish monitoring schedules and criteria and monitor early intervention providers of services and staff on a regular basis to ensure compliance with the QUEST program. (To be reviewed and approved by the MQD.)

- I) Establish monitoring schedules and criteria and monitor early intervention providers of services and staff on a regular basis to ensure compliance with the QUEST Program. (To be reviewed and approved by the MQD.)
- J) Maintain records of covered services furnished to eligible children under this AGREEMENT. Maintain confidentiality of such records as required by State or Federal law.
- K) Assure that medical and financial records are available for review by DHS staff, Centers for Medicare and Medicaid Services (CMS) or any of their agents or representatives.
- L) Process electronic transmissions of daily and monthly rosters for QUEST eligible enrollees covered under this agreement. Submit a monthly payment summary report (invoice) to bill DHS for QUEST enrollees covered under this MOA.
- M) Provide monthly submissions of provider network and encounter data to the MQD in accordance with instructions and filing requirements established by MQD.
- N) Assume financial responsibility for payment of mandated IDEA Part C services if denied by MQD or CMS for children covered under this agreement.
- O) Inform MQD of recipients who are accepted into or disenrolled from the Early Intervention Services within sixty (60) days. DOH shall be responsible to verify the enrollment/disenrollment date of recipients from the daily and/or monthly rosters provided by MQD.
- P) Provide information to inform recipients and their families covered under this MOA of their benefits.
- Q) Comply with Federal and State rules and regulations and the supplemental BBA language.
- R) Pay 100% of the state share for the services.
- S) The DOH/FHSD shall reimburse DHS any amount disallowed by CMS for services provided under this AGREEMENT.

II. The Med-QUEST Division of DHS shall do the following:

- A) Pay the DOH/FHSD the following rates:
 - Hawaii State FY 01-\$255.83
 - Hawaii State FY 02-\$166.28
 - Hawaii State FY 03-\$174.56
 - Hawaii State FY 04-\$183.29

- Hawaii State FY 05- \$183.29

The rates are per member per month for each Medicaid eligible infant and toddler served by DOH/FHSD under Part C IDEA. Payment shall be made no later than thirty (30) calendar days subsequent to receiving DOH/FHSD monthly invoice. The total payment for the fiscal year shall be reconciled annually to actual costs based on utilization reported as encounters and priced at Medicaid rates. Any adjustment for the year will be applied retroactively.

1. For new enrollees, the monthly reimbursement shall be prorated based on the number of days in the month in which the child was enrolled.
 2. For continuing enrollees, the DOH/FHSD will be paid the monthly reimbursement.
 3. Disenrollment from the Early Intervention Services program shall be the last day of the month in which DHS is notified of the disenrollment or the last day of the month in which the enrollee attains three years of age.
- B) Review the monthly rate on an annual basis, or as needed based on encounter data. All encounter submissions for FY04 must be submitted by October 31, 2004 in order to be considered for the revised rate.
- C) Review the operations and policies of early intervention services on a continuing basis to determine if DOH/FHSD meets required standards. The MQD reserves the right to terminate monthly payments until the standards are met.
- D) Monitor DOH/FHSD to assure its written QAP is implemented. MQD reserves the right to terminate monthly payments until the standards are met
- E) Ensure clients meet eligibility and enrollment criteria for Medicaid.
- F) Ensure that enrollments and disenrollments are done accurately and in an efficient and timely manner.
- G) Provide the DOH/FHSD staff with access to a mutually agreed-upon telephone or electronic system to assure continuing eligibility of each client on a monthly basis.

III. Reimbursement for Services

The DOH shall submit a monthly invoice to DHS for Early Intervention Services provided to Medicaid infants and toddlers receiving services.

- A) The DHS shall pay the DOH for the federal share at the Hawaii Federal Medical Assistance Percentage (FMAP) in place for the month for which reimbursement is made. The DOH is responsible for the State share of the expenditures.
- B) All federal reimbursement funds received under this agreement will be deposited into the Early Intervention Special Fund.
- C) The total amount of this MOA shall not exceed \$2,500,000 in federal funds per state fiscal year.
- D) DOH/FHSD shall reimburse DHS any amount disallowed by CMS for services provided under this MOA.
- E) If State and/or Federal regulations and/or the QAP standards are not met, the MQD will provide DOH/FHSD with notice and such other due process protections as the State may provide. DOH/FHSD and DHS will collaborate to develop a Correction Action Plan that will include clearly stated objectives and time frames for completion.

Should the Corrective Action Plan not meet State standards the MQD reserves the right to terminate monthly payments until standards are met.

IV. Referrals for Services

- A) The DOH will make training available on an annual basis to all Primary Care Providers (PCPs) on the screening tools available for identifying infants and toddlers with developmental, including social-emotional, delays.
- B) The DHS will inform all PCPs of the existence of this AGREEMENT and encourage the PCPs to take advantage of the training to incorporate routine developmental screening into their primary care activities.
- C) As a result of the developmental screening, or other obvious need for services, any PCP or QUEST plan can refer an infant or toddler to H-KISS for the assignment of an interim care coordinator and the initiation of services.
- D) The care coordinator will identify the PCP for each QUEST-eligible infant or toddler served by this AGREEMENT. If the PCP did not refer the infant or toddler, the care coordinator will, with consent of the family, inform the PCP of the services being received by the child.
- E) The care coordinator will invite the PCP to participate in the IFSP meetings (unless the family refuses) and will provide each PCP with a copy of the child's IFSP.

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This MOA is for the sole benefit of the parties hereto, and is not for the benefit of any third party beneficiaries, including any members of the QUEST Program. The AGREEMENT may be terminated by either party after thirty (30) calendar days written notice to the other party. DHS reserves the right to extend the contract with the contractor for one additional year following the end date of June 30, 2005. Any renewal or extension of the contract will be subject to available funding. Amendments, as mutually agreed upon, may be made as appropriate.

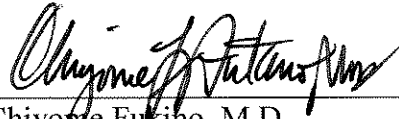
APPROVED FOR DHS:

APPROVED FOR DOH:



Lillian B. Koller, Esq.
Director

Date: AUG 11 2004



Chiyome Fukino, M.D.
Director

Date: SEP - 1 2004

HAWAII PART C ELIGIBILITY

Developmentally Delayed

Developmentally delayed means a delay in one or more of the following areas of development: Cognitive development; physical development (including vision and hearing); communication development; social or emotional development; and adaptive development.

Biological Risk

Biological risk means prenatal, perinatal, neonatal, or early developmental events suggestive of biological insults to the developing central nervous system which increase the probability of delayed development. These are the children who have a diagnosed physical or mental condition that has a high probability of resulting in developmental delay. It includes, but is not limited to infants and toddlers in the two following categories:

- A) Down Syndrome, Fetal Alcohol Syndrome, AIDS, moderate-severe asphyxia, sensory impairments, SGA (small gestational age), gestational ages under 32 weeks, failure to thrive, hearing loss resulting from chronic otitis media, and infants born to mothers with diabetes, history of substance abuse, or history of mental illness.

- B) Very low birthweight infants (1,500 grams or less)

Environmental Risk

Environmental risk means physical, social or economic factors, which may limit development. Environmental risk includes, but is not limited to the following conditions:

One of the Following Conditions:

- Parental age: less than 16 years
- Any existing physical, developmental, emotional, or psychiatric disability in a primary caregiver
- Abuse of any legal or illegal substance by a primary caregiver
- Child abuse and neglect of target child or siblings

Two of the Following Conditions:

- Economically disadvantaged family

- Single Parent
- Incarceration of a primary caregiver
- Parental age: 16-18 and less than high school education
- Birthweight: 1,500-2,000 grams
- Presence of physical, developmental, emotional, or psychiatric disability in a sibling or any other family member in the home

DEFINITIONS FOR USE IN HAWAII PART C PROGRAM

C.F.R. §303.12 Early Intervention Services

- A) General. As used in this part, “Early Intervention Services” means services that:
1. Are designed to meet the developmental needs of each child eligible under this part and the needs of the family related to enhancing the child’s development;
 2. Are selected in collaboration with the parents;
 3. Are provided:
 - a) Under public supervision;
 - b) By “qualified” personnel, as defined in §303.21, including the types of personnel listed in paragraph (E) of this section.
 - c) In conformity with an individualized family service plan; and
 - d) At no cost, unless, subject to §303.520(b)(3), Federal or State law provides a system of payments by families, including a schedule of sliding fees; and
 4. Meet the standards of the State, including the requirements of this part.
- B) Natural Environments.
1. To the maximum extent appropriate to the needs of the child, Early Intervention Services must be provided in natural environments; including the home community settings in which children without disabilities participate.
 2. As used in paragraph (B)(1) of this section, “natural environments” means settings that are natural or normal for the child’s age peers who have no disability.
- C) General role of Service Providers. To the extent appropriate, service providers in each area of Early Intervention Services included in this section are responsible for:
1. Consulting with parents, other service providers, and representatives of appropriate community agencies to ensure the effective provision of services in that area;
 2. Training parents and others regarding the provision of those services; and
 3. Participating in the multidisciplinary team’s assessment of a child and child’s family, and in the development of integrated goals and outcomes for the individualized family service plan.

D) Types of Services: Definitions. Following are types of services included under Early Intervention Services and if appropriate, definitions of those services:

1. Assistive technology device means any item, piece of equipment, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve the functional capabilities of children with disabilities. “Assistive technology service” means a service that directly assists a child with a disability in the selection, acquisition, or use of an assistive technology device. Assistive technology services include:
 - a) The evaluation of the needs of a child with a disability, including a functional evaluation of the child in the child’s customary environment;
 - b) Purchasing, leasing, or otherwise providing for the acquisition of assistive technology devices by children with disabilities;
 - c) Selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing, or replacing assistive technology devices;
 - d) Coordinating and using other therapies, interventions, or services with assistive technology devices, such as those associated with existing education and rehabilitation plans and programs;
 - e) Training or technical assistance for a child with disabilities or, if appropriate, that child’s family; and
 - f) Training or technical assistance for professionals (including individuals providing education or rehabilitation services), employers, or other individuals who provide services to, employ, or are otherwise substantially involved in the major life functions of individuals with disabilities.
2. Audiology includes:
 - a) Identification of children with auditory impairment, using at risk criteria and appropriate audiologic screening techniques;
 - b) Determination of the range, nature, and degree of hearing loss and communication functions, by use of audiological evaluation procedures;
 - c) Referral for medical and other services necessary for the habilitation or rehabilitation of children with auditory impairment;
 - d) Provision of services for prevention of hearing loss; and
 - e) Determination of the child’s need for individual amplification, including selecting, fitting, and dispensing appropriate listening and effectiveness of those devices.

3. Family training, counseling, and home visits means services provided, as appropriate, by social workers, psychologist, and other qualified personnel to assist the family of a child eligible under this part in understanding the special needs of the child and enhancing the child's development.
4. Health Services (See C.F.R. §303.13)
5. Medical services only for diagnostic or evaluation purposes means services provided by a licensed physician to determine a child's developmental status and for Early Intervention Services.
6. Nursing services include:
 - a) The assessment of health status for the purpose of providing nursing care, including the identification of patterns of human response to actual or potential health problems;
 - b) Provision of nursing care to prevent health problems, restore or improve functioning, and promote optimal health and development; and
 - c) Administration of medications, treatments, and regimens prescribed by a licensed physician.
7. Nutrition services include:
 - a) Conducting individual assessments in:
 - nutritional history and dietary intake
 - anthropometric, biochemical, and clinical variables
 - feeding skills and feeding problems
 - food habits and food preferences
 - b) Developing and monitoring appropriate plans to address the nutritional needs of children eligible under this part, based on the findings in paragraph (D)(7)(a) of this section; and
 - c) Making referrals to appropriate community resources to carry out nutrition goals.
8. Occupational therapy includes services to address the functional needs of a child related to adaptive development, adaptive behavior and play, and sensory, motor, and postural development. These services are designed to improve the child's functional ability to perform tasks in home, school, and community settings, and include:

- a) Identification, assessment, and intervention;
 - b) Adaptation of the environment, and selection, design and fabrication of assistive and orthotic devices to facilitate development and promote the acquisition of functional skills; and
 - c) Prevention or minimization of the impact of initial or future impairment, delay in development, or loss of functional ability.
9. Physical therapy includes services to address the promotion of sensorimotor function through enhancement of musculoskeletal status, neurobehavioral organization, perceptual and motor development, cardiopulmonary status, and effective
- a) Screening of infants and toddlers to identify movement dysfunction;
 - b) Obtaining, interpreting, and integration information appropriate to program planning, to prevent or alleviate movement dysfunction and related functional problems; and
 - c) Providing services to prevent, alleviate or compensate for movement dysfunction and related functional problems
10. Psychological services includes:
- a) Administering psychological and developmental tests, and other assessment procedures;
 - b) Interpreting assessment results;
 - c) Obtaining, integrating, and interpreting information about child behavior, and child and family conditions related to learning, mental health, and development;
 - d) Planning and managing a program of psychological services, including psychological counseling for children and parents, family counseling, consultation on child development, parent training, and education programs.
11. Service coordination means assistance and services provided by a service coordinator to a child eligible under this part and the child's family that are in addition to the functions and activities included under C.F.R. §303.23.
12. Social work services includes:
- a) Making home visits to evaluate a child's living conditions and patterns of parent-child interaction;
 - b) Preparing a social or emotional developmental assessment of the child within the family context;

- c) Providing individual and family-group counseling with parents and other family members, and appropriate social skill-building activities with the child and parents;
 - d) Working with those problems in a child's and family's living situation (home, community, and any center where Early Intervention Services are provided) that affect the child's maximum utilization of Early Intervention Services; and
 - e) Identifying, mobilizing, and coordination community resources and services to enable the child and family to receive maximum benefits from Early Intervention Services.
13. Special instruction includes:
- a) The design of learning environments and activities that promote the child's acquisition of skills in a variety of developmental areas, including cognitive processes and social interaction;
 - b) Curriculum planning, including the planned interaction of personnel, materials, and time and space, that leads to achieving the outcomes in the child's individualized family service plan;
 - c) Providing families with information, skills, and support related to enhancing the skill development of the child; and
 - d) Working with the child to enhance the child's development.
14. Speech-Language pathology includes:
- a) Identification of children with communicative or oropharyngeal disorders and delays in development of communication skills, including the diagnosis and appraisal of specific disorders and delays in those skills;
 - b) Referral for medical or other professional services necessary for the habilitation or rehabilitation of children with communicative, oropharyngeal disorders, and delays in development of communication skills; and
 - c) Provision of services for the habilitation, rehabilitation, or prevention of communicative or oropharyngeal disorders and delays in development of communication skills.
15. Transportation and related costs includes the cost of travel (e.g., mileage, or travel by taxi, common carrier, or other means) and other costs (e.g., tolls and parking expenses) that are necessary to enable a child eligible under this part and the child's family to receive Early Intervention Services.

16. Vision services means:

- a) Evaluation and assessment of visual functioning, including the diagnosis and appraisal of specific visual disorders, delays, and abilities;
- b) Referral for medical or other professional services necessary for the habilitation or rehabilitation of visual functioning disorders, or both; and
- c) Communication skills training for all environments, visual training, independent living skills training, and additional training necessary to activate visual motor abilities.

E) Qualified Personnel: Early Intervention must be provided by qualified personnel, including:

1. Audiologists
2. Family therapists
3. Nurses
4. Nutritionists
5. Occupational therapists
6. Orientation and mobility specialists
7. Pediatricians and other physicians
8. Physical therapists
9. Psychologists
10. Social Worker
11. Special educators
12. Speech and language pathologists

{Authority: 20 U.S.C. 1472(2); H.R. Rep. No. 198, 102d Cong., 1st Sess. 14 (1991); S. Rep. No. 84, 102d Cong., 1st Sess. 21-22 (1991)}

Note: The list of services in paragraph (D) of this section are not exhaustive and qualified personnel in paragraph (E) are not exhaustive. Early Intervention Services may include such services as the provision of respite and other family support services. Qualified personnel may include such personnel as vision specialists, paraprofessionals, and parent-to-parent support personnel.

C.F.R. §303.13 Health Services

- A) As used in this part, “Health Services” means services necessary to enable a child to benefit from the other Early Intervention Services under this part during the time that the child is receiving the other Early Intervention Services.
- B) The term includes:
 - 1. Such services as clean intermittent catheterization, tracheostomy care, tube feeding, the changing of dressings or colostomy collection bags, and other health services; and
 - 2. Consultation by physicians with other service providers concerning the special health care needs of eligible children that will need to be addressed in the course of providing other Early Intervention Services.
- C) The term does not include the following services that are:
 - 1. Surgical in nature (such as cleft palate surgery, surgery for club foot, or the shunting of hydrocephalus); or
 - 2. Purely medical in nature (such as hospitalization for management of congenital heart ailments, or the prescribing of medicine or drugs for any purpose).
 - a) Devices necessary to control or treat a medical condition.
 - b) Medical-health services (such as immunizations and regular “well-baby” care) that are routinely recommended for all children.

{Authority: 20 U.S.C. 1472(2)}

Note: The definition in this section distinguishes between the health services that are required under this part, and the medical-health services that are not required. The IFSP requirements in Subpart D provide that, to the extent appropriate, these other medical-health services are included in the IFSP, along with the funding sources to be used in paying for the services. Identifying these services in the IFSP does not impose an obligation to provide the services if they are otherwise not required to be provided under this part. (See 303.344 (e), and the note 3 following that section.)