

# System of Payment Policy Process

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*Do not distribute to families*

All Part C programs are required to provide parents with a system of payment policy. This policy must identify the potential cost a parent may incur when their public or private insurance is used to pay for early intervention services (i.e. co-payments, 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).

In Idaho, the family is **not charged** family fees, co-payments, or deductibles associated with receipt of early intervention services when the Infant Toddler Program (ITP) uses the family's public (Medicaid) or private insurance to pay for services. Families may be responsible to pay any insurance premiums they incur if applicable per their insurance plan or other long-term costs such as the loss of benefits because of annual or lifetime health insurance coverage caps under their insurance policy.

## **When to Provide the System of Payment Policy to Families:**

The Idaho Infant Toddler Program provides a copy of the System of Payment policy to families as follows:

- When obtaining parental consent to use the parent's private insurance to pay for the initial provision of an early intervention service in the IFSP (this includes any time a new service is added to the IFSP); and
- Each time consent for services is required due to an increase in frequency, length, duration, or intensity in the provision of existing services in the child's IFSP.

## **Explaining the System of Payment Policy to Families:**

The Financial Resources form is used to educate the family about how ITP is funded, obtain the parent's insurance and/or Medicaid information, and identify if the parent gives consent to bill insurance. It also explains when a copy of the System of Payment Policy is provided to the family.

Families should understand that ITP pays for any co-payments or deductibles incurred by insurance to pay for early intervention services. It should also be explained that private insurance is an important funding source for ITP, and allowing ITP to bill insurance supports the program to continue providing needed services to infants and toddlers in Idaho.

### **When is consent to bill required?**

When the child has private insurance with Medicaid as secondary, ITP is required to seek reimbursement from the private insurance before seeking reimbursement from Medicaid. As a result, ITP must have the parent's consent to bill their primary insurance to enable ITP to bill both private insurance and Medicaid.

When the child has Medicaid only, ITP is not required to obtain the parent's consent to seek reimbursement from Medicaid. Consent is only required if using a child's or parent's public benefits to pay for Part C services would:

- Decrease available lifetime coverage or any other insured benefit for that child or parent under that program;
- Result in the child's parents paying for services that would otherwise be covered by the public benefits or insurance program;
- Result in any increase in premiums or discontinuation of public benefits or insurance for that child or that child's parents; or
- Risk loss of eligibility for the child or that child's parents for home and community-based waivers based on aggregate health-related expenditures.

In Idaho, none of the above criteria applies for families enrolled in the Medicaid program, and therefore consent to bill Medicaid is not required.