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July 16, 2010

Senator Jean Hunhoff, Co-chair
Representative Larry Tidemann, Co-chair
Joint Committee on Appropriations
500 E. Capitol Avenue
Pierre, SD 57501

Dear Senator Hunhoff and Representative Tidemann:

Enclosed please find the fourth and final report relative to the recommendations in the Birth to Three Administrative Review report, submitted to the Joint Committee on Appropriations on June 25, 2009.

If you have questions, please do not hesitate to contact me.

Sincerely,

Tom Oster
Secretary

Enclosure

South Dakota Department of Education's Administrative Review Birth to Three Connections Program

Fourth Quarterly Report

April 1 – June 30, 2010

Introduction: The Joint Committee on Appropriations directed the Department of Education to provide four quarterly reports on the activities related to the recommendations which were set forth in the Administrative Review of the Birth to Three Connections program. The following report provides an update on activities during the April – June 2010 quarter.

Recommendation #1: Provide additional training for Birth to Three providers on Medicaid: how to bill for Birth to Three services; and understanding Medicaid's definition of Medical Necessity. The training should be open to both providers and parents.

Background: Birth to Three Connections' providers were confused about the billing process and Medicaid's definition for determining 'medical necessity.' It was the consensus of the workgroup that more training and education was needed. The Department of Social Services agreed to schedule and provide training specifically for Medicaid requirements and archive the training for future use.

July – September 2009 quarter: Medicaid training completed. See last quarter's report for details at <http://doe.sd.gov/oess/Birthto3/index.asp>.

October – December 2009 quarter: New service providers are encouraged to access the online Medicaid training at <http://doe.sd.gov/oess/Birthto3/index.asp>. The online training seems to be working well. To date there have been no major concerns from providers about billing Medicaid.

January – March 2010 quarter: The program has 232 public and private entities enrolled as Birth to Three providers. Many of those entities employ multiple therapists who provide the direct services to children and their families. If the service provider has the credentials to enroll as a Medicaid provider, they must do so according to their Birth to Three contract. The Birth to Three Provider Enrollment packet includes the contact information for Medical Services and, as

stated in previous quarterly reports, providers are encouraged to access the Medicaid online training at <http://doe.sd.gov/oess/Birthto3/index.asp> . To date there have been no major concerns from providers about billing Medicaid.

Update for April – June 2010 quarter: Birth to Three providers have continued to enroll with Medicaid, and bill Medicaid for covered services which are considered medically necessary. The process is working well and we have received no complaints from providers.

Recommendation #2: Establish a flat fee per service for travel time reimbursement and structure the administrative rule so that the travel time reimbursement rates increase at the same rate of provider inflation.

Background: A flat rate for travel time would ensure correct billing for travel time and simplify the process. It was the consensus of the workgroup that ARSD 24:14:04:13 be revised as proposed by the Department of Education and that the flat rate would increase at the same rate as the provider inflationary increase.

July – September 2009 quarter: A proposed change to ARSD 24:14:04:13 was presented to the Board of Education. The proposed change would result in Birth to Three providers being paid a flat travel reimbursement rate. The change would simplify the way in which travel time reimbursement is calculated and eliminate the opportunity to base travel time reimbursement on varying codes and rates within a particular discipline. The proposed flat rates would not have a detrimental effect on the overall Birth to Three budget.

October – December 2009 quarter: The travel time administrative rule was amended on December 8, 2009, to establish a flat rate based on 90% of the most commonly billed rate for a particular discipline. The new travel time rate became effective January 1, 2010.

24:14:04:13. Reimbursement for travel time. Travel time to and from service provision sites is reimbursed to the early intervention service provider at a flat rate as provided in this section. All other early intervention services not specified in this section are reimbursed at a travel time rate of \$13.14 per unit.

Services	Travel Time Rate
Physical and Occupational Therapy, Evaluations and Meetings	\$13.14 per unit
Speech and Language Therapy, Evaluations and Meetings	\$11.53 per unit
Assistive Technology, Evaluations and Meetings	\$13.14 per unit
Family Training, Counseling, and Home Visits	\$11.18 per unit
Health Services, Evaluations and Meetings	\$10.86 per unit
Nutrition Services, Evaluations and Meetings	\$11.50 per unit

Social Work Services, Evaluations and Meetings	\$11.18 per unit
Special Instruction, Evaluations and Meetings	\$7.20 per unit
Service Coordination, Evaluations and Meetings	\$7.20 per unit

Flat rates for travel time in this section are calculated at 90% of the most commonly billed early intervention rates pursuant to § 24:14:04:12. The flat rate for travel time, as described above, is effective January 1, 2010.

Source: 26 SDR 153, effective May 22, 2000; 28 SDR 105, effective January 31, 2002; 35 SDR 82, effective October 22, 2008; 36 SDR 96, effective December 8, 2009.

General Authority: SDCL [13-37-1.1](#)

January – March 2010 quarter: There have been no issues with the flat rate for travel time reimbursement since the new rates became effective January 1, 2010. Providers appreciate the simplicity of the new reimbursement process. For example, a Physical Therapist will be reimbursed for his/her travel time at the set rate of \$13.14 per travel time unit, regardless of the specific therapies he/she provides to the child. (A travel time unit is the distance one can travel in 15 minutes. Rural (outside of city limits): Miles ÷ by 15 minutes = travel time units. City: Miles x 3 ÷ 15 = travel time units).

Update for April – June 2010 quarter: Providers continue to bill for travel time appropriately using the travel time rate as shown above. Providers appreciate how the flat rate has simplified billing.

Recommendation #3: Charging family fees for Birth to Three services is not feasible.

Background: Based on the analysis of the limited number of families who could be charged a fee, the amount of revenue which could be generated, and the negative impact charging a family fee could have on children, the workgroup recommended imposing no family fees.

July – September 2009 quarter: The Department of Education is proposing legislation to establish a fund for donations to the Birth to Three program. This would provide a way for families to voluntarily contribute to the program if they chose to do so.

October – December 2009 quarter: Senate Bill 22, if passed by the 2010 Legislature, will establish a fund for donations to the Birth to Three program. The fund would provide a way for families to voluntarily contribute to the program if they chose to do so.

Senate Bill 22

FOR AN ACT ENTITLED, An Act to establish a fund for the collection of donations to the birth to three program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. There is hereby created in the state treasury a separate fund known as the birth to three donation fund. Any contribution or donation received from any source for the purpose of providing services to children participating in the birth to three program within the Department of Education shall be deposited in the fund.

Section 2. Moneys within the birth to three donation fund may only be used for activities related to the birth to three program. The secretary of education shall approve vouchers and the state auditor shall draw warrants to pay expenditures authorized by this Act.

January – March 2010 quarter: Senate Bill 22 was tabled by the Legislature.

Update for April – June 2010 quarter: No further action to report.

Additional Activities:

As part of its continued commitment to outreach, the Department of Education, Birth to Three program, has conducted the following activities:

July – September 2009 quarter

- The Birth to Three director met personally with the Neonatal Intensive Care Unit staff at Sanford Health, Avera McKennan, and Rapid City Regional hospitals to provide information about the new eligibility criteria for premature infants, and the referral process.
- The Birth to Three program is working in conjunction with South Dakota Parent Connection to develop a DVD for parents on early intervention services.
- Expanded child find activities, professional development, equipment, and additional personnel for regional Birth to Three programs have been funded using Part C ARRA funds.
- Using Part C ARRA funds, the Birth to Three program is in the process of purchasing Otoacoustic Emission (OAE) screeners for each Service Coordinator so that children from birth to age 3 are screened systematically for hearing issues.

- The Birth to Three staff provided a workshop on early intervention services at the annual Parents' Conference in Rapid City.

October – December 2009 quarter

- The Birth to Three staff conducted four (4) regional provider workshops during the October – December quarter. The workshops were held in Rapid City, Sioux Falls, Aberdeen, and Pierre. Approximately 70 providers attended the workshops. Providers submitted questions and concerns in advance so that written responses to each question could be provided as a handout at the workshops.

The workshops included such topics as educational vs. medical models of service provision; evaluation vs. assessment; when and how to change services for a child; the process for graduating a child early from the program; using the BDI-2 to determine eligibility; and the billing process for services.

The workshops provided an opportunity for providers and staff to meet in person and discuss particular concerns which may not have been addressed during the meeting. The workshops were well received. The Birth to Three program plans to continue the workshops on an annual basis.

The Q & A document which was used as a discussion guide for the workshops has been posted on the Birth to Three Connections website at <http://doe.sd.gov/oess/Birthto3/index.asp> for on-going reference.

- OAE Hearing Screeners were purchased with ARRA funds for all Birth to Three Service Coordinators. The screeners will be used to identify hearing issues at the initial screening of a child and again at the child's annual review. The hearing screen will indicate whether the child should be referred for a full audiological evaluation.

January – March 2010 quarter

- The Part C Annual Performance Report (APR) was submitted to the Office of Special Education Programs (OSEP). The Part C APR has 14 indicators which measure the success of early intervention services statewide. The Birth to Three program met or exceeded its targets for all 14 indicators with the exception of one, Indicator 5. Indicator 5 measures the percent of children between the ages of birth and one year who receive early intervention services. The target of .97% was missed by .10%, or 27 children less than the previous year. However, the Birth to Three program exceeded its overall target for providing early intervention services to the birth to age 3 population. The national goal is 2.0% and SD achieved 3.14%.

- The results of the most recent Birth to Three Family Survey showed that 96.5% of families said that early intervention services helped them know their rights; 95.6% said the services helped them effectively communicate their child's needs; and 96.2% said the services helped their child develop and learn.
- The Birth to Three program piloted an online billing system with providers during the month of March. The new online system allows providers to enter their monthly bills for Part C services and submit them to the state office electronically. The state office receives the submissions, reviews them for accuracy, and imports the information into the Birth to Three data system. An additional 150 providers will be trained and brought online in May. Although not mandated to do so, most providers will choose to use the online system as it is user friendly and efficient. The goal is to have the majority of providers using the new system by the end of summer.
- A Public Service Announcement DVD has been developed for Birth to Three Connections and will run 30 second and 60 second spots on local television stations.
- A hearing screen is now included as part of the developmental screening process. Otoacoustic Emission (OAE) Hearing Screeners were delivered to each Birth to Three Service Coordinator in the state, along with training on their use. If a hearing issue is indicated on the OAE Hearing Screener, the child is referred for a full audiological evaluation. The OAE screeners were purchased with Part C ARRA funds.

April – June 2010 quarter

- A manual, "South Dakota Guidance: Understanding Early Childhood Transition", was developed in conjunction with the state office of Special Education on transitioning eligible children from Birth to Three services (Part C) to the school district (Part B). A one-day workshop was held for Birth to Three service coordinators, providers, and school district personnel for the purpose of clarifying the process for a smooth and effective transition for children and their families.
- Six workshops were held for Birth to Three providers on how to use the new Birth to Three online billing system. The new system allows providers an easy means of submitting bills electronically. The electronic invoice is imported into the Birth to Three data system so that information does not have to be entered by hand. The new system saves provider and state staff time, generates reports to track services and costs. Approximately 70 providers have been trained to date, with more workshops scheduled in the near future. Use of the new system is not mandatory. However, it has

received praise by those providers who are using the system. The goal is to have the majority of Birth to Three providers using the online billing system within the next 6 to 12 months.

- South Dakota is one of only 16 states to earn the highest rating possible for both Parts B & C of the Individuals with Disabilities Education Act, according to information recently released by the U.S. Department of Education. Birth to Three received confirmation from the US Office of Education, Office of Special Education Programs (OSEP) that South Dakota met the federal and state requirements for serving children with developmental delays or disabilities. The US Department of Education determined that, under IDEA sections 616(d)(2)(A)(i) and 642, South Dakota met the requirements of Part C of IDEA. The determination is based on the totality of the State's data and information, including the State's FFY 2008 Annual Performance Report (APR) and revised State Performance Plan (SPP), other State-reported data, and other publicly available information. For a summary of each of the 14 indicators used to measure progress, South Dakota's Part C FFY 2008 SPP/APR Response Table can be found on the Birth to Three website at <http://doe.sd.gov/oess/Birthto3/index.asp>.