

Rhode Island Early Intervention Certification Standards

Policies and Procedures

XIV. System of Payments

The Rhode Island Early Intervention system of payments includes a combination of state and federal funds and the use of public and private insurance.

Early Intervention is a state required benefit for all insurance plans issued in Rhode Island.

RI State Statute 27-18-64/§ 27-20-50/§ 27-41-68 requires private and public insurers based in Rhode Island and providing coverage for dependent children to cover the cost of Early Intervention services. Plans may not include deductibles, co pays or co-insurance. These costs are funded through the use of public and Part C funds. Rhode Island residents may have employer sponsored health benefit plans or “self insured” plans that are exempt from Rhode Island State law but these plans must follow federal law. These plans and other out of state plans may provide “essential benefits” including “*Rehabilitative and habilitative services and devices*” depending on the plan design, which may cover early intervention services. Any Early Intervention service not covered by health insurance or health benefit plans exempt from Rhode Island State law including deductibles, copays or coinsurance is funded through the use of public and Part C funds.

The Rhode Island Early Intervention system of payments does not include any family fees, co-payments or deductibles. Therefore there is no family payment system; no sliding or cost participation fees; no basis for determining fees; and no definitions regarding ability and inability to pay.

The Rhode Island Early Intervention system will ensure that parents are not charged any out-of-pocket costs for any Part C services. Fees will not be charged for the services that a child is otherwise entitled to receive at no cost to the parents including:

- Implementation of the child find requirements
- Evaluation and assessment
- Service coordination
- Administrative and coordinative activities related to:
 - The development, review and evaluation of IFSPs
 - The implementation of procedural safeguards
- All Early intervention services authorized on the IFSP, including any co-payments or deductibles related to these services.

The Rhode Island Early Intervention system does not charge any fees to parents, copayments or deductibles, therefore:

- the inability of the parents to pay for services will not result in the delay or denial of services to the child or the child’s family;
- families will not be charged any more than the actual cost of an Early Intervention service; and
- parents with public insurance or benefits or private insurance will not be charged disproportionately more than those who do not.

No fees are charged to parents for failure to provide income information.

The only cost parents are responsible for is the cost of their health insurance premiums.

No service a child is entitled to receive will be delayed or denied due to disputes between agencies regarding financial or other responsibilities.

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All Part C services on the IFSP are available to the child and family whether or not consent to use insurance or Medicaid is required or provided.

Payor of Last Resort

Part C funds may be used for activities or expenses that are reasonable and necessary for implementing the Rhode Island Early Intervention system including direct Part C services for children and families and the cost of co pays, and deductibles. Part C funds will be used as the payor of last resort and cannot be used to satisfy a financial commitment for services that would otherwise have been paid for from another public or private source. However if necessary to prevent a delay in the timely provision of appropriate Part C services to an infant/toddler or the family, funds may be used to pay the provider of services for services and functions authorized under Part C pending reimbursement from the insurance provider that has ultimate responsibility for the payment.

The use of private insurance to pay for Part C services

Consent for the use of private insurance is not required because the required specific protections listed below are provided by Rhode Island state statutes governing insurance in Rhode Island. Parents who have insurance plans exempt from RI law are also afforded the required specific protections listed below under Federal law.

Protection §303.520(b)2(i)

*The use of private health insurance to pay for Part C services cannot count towards or result in a loss of benefits due to the annual or lifetime health insurance coverage caps for the infant or toddler with a disability, the parent or the child’s family members who are covered under that health policy.
§303.520(b)2(i)*

- **Parents with private individual and group insurance policies issued in Rhode Island** are provided this protection by Rhode Island law:

<i>RI Statute §27-18-64 §27-20-50 §27-41-68</i>	<i>Coverage for early intervention service. This law specifies that amounts paid by an insurer for early intervention are not applied to any annual or lifetime caps.</i>
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- **Parents with employer sponsored health benefit plans or out of state health plans** are exempt from Rhode Island state law but are provided this protection by federal law:

<i>Federal Law Public Health Service 42 USC §300gg-11</i>	<i>No lifetime or annual limits on essential benefits. This law prohibits group health plans and health insurance issuers offering group or individual health insurance coverage from imposing lifetime or annual limits on the dollar value of health benefits for essential health benefits. If covered,</i>
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	<p><i>early intervention services would fall under the essential benefit category “Rehabilitative and habilitative services and devices”.</i></p> <p>If early intervention services are not considered a covered benefit in a plan exempt from Rhode Island state law, the service is provided and funded through public or Part C funds.</p>
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These laws provide the protection required in §303.520(b)2(i) that the use of private insurance to pay for Part C services will not count towards or result in a loss of benefits due to the annual or lifetime health insurance coverage caps for the infant or toddler with a disability, the parent or the child’s family members who are covered under that health policy.

Protection §303.520(b)2 (ii)

The use of private health insurance to pay for Part C services cannot negatively affect the availability of health insurance to the infant or toddler with a disability, the parent, or the child’s family members who are covered under that health policy and health insurance may not be discontinued for these individuals due to the use of the health insurance to pay for Part C services.

- **Parents with private individual and group insurance policies issued in Rhode Island** are provided this protection by Rhode Island law:

<p><i>RI Statutes</i> §27-20-58 §27-41-75 §27-18-72</p>	<p><i>Rescission of Coverage-Prohibits loss of insurance coverage for any reason except fraud</i></p>
<p><i>§ 27-18-71</i> § 27-20-57 § 27-19-68 § 27-41-81</p>	<p><i>Prohibition on preexisting condition exclusions - Prohibits an insurer from not providing coverage due to health factors</i></p>
<p><i>§27-18.5-4</i></p>	<p><i>Continuation of coverage – Renewability- Coverage is guaranteed renewable and the insurer can only non renew or cancel for fraud, or non payment</i></p>
<p><i>§ 27-41-14</i></p>	<p><i>HMO prohibited practices- Coverage may not be cancelled or non-renewed except for reasons stated in the rules of the health maintenance organization applicable to all enrollee, failure to pay premiums or for the other reasons as may be approved by the RI Director of Business Regulation.</i></p>
<p><i>§27-18.6>18-4</i></p>	<p><i>Prohibiting discrimination. This law prohibits discrimination and health insurers may not establish rules for eligibility or continued eligibility based on health status.</i></p>

- **Parents with employer sponsored health benefit plans or out of state health plans** are exempt from Rhode Island state law but are provided this protection by federal Law:

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<i>Federal Law 42 §300gg-12</i>	<i>Prohibition on rescissions of health coverage- Prohibits loss of coverage due to any reason except fraud</i>
<i>42 §300gg-3</i>	<i>Prohibition on preexisting conditions exclusions- Prohibits an insurer for not providing coverage due to health factors</i>
<i>29CFR§2590.702</i>	<i>Discrimination- Prohibits discrimination based on health factors(including claims history)</i>

These laws provide the protection required in §303.520(b) 2(ii) that the use of private insurance to pay for Part C services cannot negatively affect the availability of health insurance to the infant or toddler with a disability, the parent, or the child’s family members who are covered under that health policy and health insurance may not be discontinued for these individuals due to the use of the health insurance to pay for Part C services.

Protection §303.520(b)2 (iil)

The use of private health insurance to pay for Part C services cannot be the basis for increasing the health insurance premiums of the infant and toddler with a disability, the parent, or the child’s family members covered under that health insurance policy.

- **Parents with private individual and group insurance policies issued in Rhode Island** are provided this protection by Rhode Island state law:

<i>RI Statute §27-50>§27-50-5 (small group insurers)</i>	<i>Premiums- Premium rates must only be based on sex; age and family composition</i>
<i>§27-18.6-4 (large group)</i>	<i>Prohibiting Discrimination- Rates for premiums for one person cannot be more than another based on health related status.</i>
<i>§ 42-14.5-1</i>	<i>Establishes a Health Insurance Commissioner “to protect the interests of consumers”- Regulation 17 of that office requires the filing, review, and approval of rating formulas and rates for all insurers in the state</i>

- **Parents with employer sponsored health benefit plans or out of state health plans** are exempt from Rhode Island state law but are provided this protection by federal law:

<i>Federal Law 29CFR2§590.702</i>	<i>Discrimination- Premiums for one person cannot be higher than another based on health factors</i>
<i>42§ 300gg</i>	<i>Fair health insurance premiums- Specifies insurance premiums must be</i>

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	<i>only based on family size, age, rating area and tobacco use (for individual and small groups).</i>
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These laws provide the protection required in §303.520(b)2(iii) that the use of private insurance to pay for Part C services cannot be the basis for increasing the health insurance premiums of the infant and toddler with a disability, the parent, or the child’s family members covered under that health insurance policy.

Note: In Rhode Island the specific protection requirements above are met and consent for use of private insurance is not required. Notification prior to the initial use of the parent’s private insurance is required as well as consent to release personally identifiable information for billing purposes. Consent to release personally identifiable information can be revoked at any time without the risk of losing Early Intervention services.

The use of public benefits or public insurance to pay for Part C services – Medicaid/RiteCare

The use of public benefits or public insurance is allowed to pay for Part C services, however the following provisions must be followed:

- Parents are not required to sign up or enroll in a public benefits or public insurance program as a condition for their child to receive Part C services.
- Parental notification must be provided prior to using public benefits or public insurance of a child or parent if that child or parent is enrolled in a public benefits or public insurance program. Parental notification must include the following:
 - A statement that in Rhode Island when using public insurance, parents have no out-of-pocket costs except for insurance premiums. Co-pays, co-insurance and deductibles are not charged to parents.
 - Consent for disclosure of personally identifiable information to bill public insurance is not required because EOHHS administers both Part C and Medicaid.
 - A statement that parents, who have both private insurance and public insurance, state Medicaid regulation require the use of private insurance as the primary insurance . In Rhode Island consent is not required to bill private insurance because of specific protections provided in state statute and federal law however notification prior to the initial use of the parent’s private insurance is required as well as consent to release personally identifiable information for billing purposes. (For parents with public insurance, consent to release personally identifiable information was provided upon enrollment in Medicaid.) Consent to release personally identifiable

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information can be revoked at any time without the risk of losing Early Intervention services.

- If an infant or toddler or parent is enrolled in a public benefits or public insurance program, written parental consent is not required because the use of these benefits to pay for Part C services does not:
 - Decrease available lifetime coverage or any other insured benefit for the child or parent, or
 - Result in the child's parents paying for services that would otherwise be covered by public benefits or insurance, or
 - Result in any increase in premiums or cancellation of public benefits or insurance for the child or parent, or
 - Risk the loss of eligibility for the child or the child's parents for home and community-based waivers based on total health-related costs.

- Prior to the initial use of private or public insurance the EI provider must provide families with the following:
 - Procedural safeguards including the right to participate in mediation; request a due process hearing; or file a state complaint;
 - Written notice related to the use of private insurance and Medicaid.