# **Proposed Revocation of Maine’s Part C’s Family Participation Fee Policy**

**Background:**

Maine’s Part C Program, which provides special education and related services to infants and toddlers with disabilities and is implemented by Child Development Services (CDS), had developed, solicited public feedback, and subsequently adopted a Family Participation Fee (FPF) policy. Due to the departure of its Data Manager, Deputy Director, and Finance Director, in rapid succession, the implementation of the FPF was delayed. Contemporaneous with that delay, Maine’s Interagency Coordinating Council (ICC) was reinvigorated with new members. The newly configured ICC was presented with the proposed implementation of FPF, as well as data related to its implementation. Additional feedback was also solicited from other stakeholders.

Based on this unequivocal feedback from the ICC and other stakeholders, Maine’s Part C Program is now proposing to not implement the FPF. This decision is also supported by work that Maine’s Part C Program has done with the ITCA Fiscal Cohort and the identification of additional sources of revenue to support Part C services.

The following data was shared with the ICC and other stakeholders:

**Factors affecting families to whom the fee would apply**

• Household earning less than 200% Federal Poverty Level or receiving other state benefits would be exempt

• Maine’s median household income is currently $52,900

• 200% of Fedreral Poverty Level currently equals $50,200

• 13 of Maine’s 16 counties have a median household income of less than $52,000

• 49% of children with special healthcare needs have MaineCare coverage and are therefore not subject to the FPF

• In general, 44% of children in Maine have MaineCare coverage and are therefore not subject to the FPF

• 46.5% of Maine children qualify for free/reduced lunch

**Costs of administering FCPF**

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| --- | --- |
| Annual postage  |  $5,500 |
| Annual printing, envelopes, papers, etc. |  $800 |
| 1.0 FTE to administer FPF | $45,000 |
| Estimated annual cost | $51,300 |
| Estimated annual gross revenue ($25/month from 490 families with a 90% success rate) | $132,300 |
| Estimated annual cost of administration |  $51,300 |
| Estimated annual net revenue to CDS |  $81,000 |

**Intangibles/Unknowns**

Pros/Strengths

• Possible decrease in “no-shows” and cancellations of visits

• Possible increase in engagement during visits on the part of families

• Possible increase in focus during visits on the part of providers

• Impact of additional revenues

Cons/Weaknesses/Concerns

• Pushback from staff, stakeholders, and families

• Decrease in number of children receiving necessary services

• Consequences for non-payment

• Potential human error in determining fee amount/applicability/changes over the course of service

• Exceptional family circumstances

• Would revenue be significant enough justify stressors of implementation?

The feedback the Maine’s Part C Program received from the ICC and other stakeholders included the following:

• Concern regarding potentially impeding of delivery of services to families

• Concern that the required documentation would increase the burden on families and potentially discourage them from accessing services

• Concern that the fee policy is cumbersome, misleading, too long and would be difficult for families to understand

• Concern that the return on investment will either not be significant enough or may even result in the loss of money

• Concern that the estimated cost will be more than projected

• Concern that a success rate will be lower than the projected 90% as this policy may discourage families from following through

A summary statement was provided by the above stakeholders:

Overall, we feel the FPF is a bad idea and adds another level of intimidation for families which in turn will be additional barriers to children who need early intervention services actually receiving them.

We understand CDS’ current financial hardship; however, we think that the cons of implementing the FCPF outweigh the pros.

Maine’s Part C Program intends to revise its System of Payment policies by removing family fees. However, System of Payment policies will continue to include billing public and private insurance with parental consent and the payment of co-pays and deductibles. The sole cost that parents will incur will be the cost of insurance premiums. The System of Payment will continue to mandate CDS as the payor of last resort.