

Alaska's Part C 2009 Verification Visit Letter Enclosure

Background

The Alaska Department of Health and Social Services (ADHSS) is the State lead agency responsible for administering and ensuring accountability for Part C of the Individuals with Disabilities Education Act (IDEA) in Alaska. The Office of Children's Services administers the IDEA Part C program, which is officially referred to as the Alaska Early Intervention/Infant Learning Program (EI/ILP).

ADHSS establishes protocols to ensure the coordination of available resources with other State-level programs involved in the implementation of the Part C statewide system of early intervention, including Mental Health and Developmental Disabilities, Public Health, and Public Assistance. In addition to coordinating with other State programs, ADHSS contracts with local school districts, mental health associations, Alaskan Native corporations, parent associations, and other nonprofit organizations to administer 17 Early Intervention/Infant Learning Programs (EI/ILPs). The 17 EI/ILPs are Alaska's early intervention services (EIS) programs for reporting under the State Performance Plan (SPP)/Annual Performance Report (APR). To facilitate the implementation of the Federal and State Part C programs, ADHSS also contracts with two separate State agencies that administer services to individuals who are visually or hearing impaired to provide vision and hearing services. Each EI/ILP has a designated coordinator responsible for providing oversight and ensuring that service delivery practices are: (1) implemented consistently with Federal and State Part C regulations; and (2) modified, if needed, to be responsive to the needs of the eligible birth-to-two population and their families.

I. General Supervision System

Critical Element 1: Identification of Noncompliance

Does the State have a general supervision system that is reasonably designed to identify noncompliance in a timely manner using its different components?

Verification Visit Details and Analysis

Components of the General Supervision System

ADHSS staff reviewed documents with Office of Special Education Programs (OSEP) staff to identify the components of its general supervision system, including those components that were revised and added after July 2007 when ADHSS modified its general supervision system.

ADHSS staff reported that the implementation of its general supervision system is composed of: (1) monitoring the 17 EI/ILPs and the two State-administered programs on an annual basis; (2) administering self-assessments; (3) conducting desk audits; (4) assessing the implementation of interagency agreements; (5) assessing the effectiveness of policies and procedures; (6) conducting focused monitoring; (7) tracking financial expenditures; (8) conducting fiscal audits, including fiscal audits of Medicaid services utilization; (9) conducting root cause analyses for compliance and performance indicators; (10) soliciting and analyzing input from the State

Interagency Coordinating Council (SICC); and (11) analyzing the results from complaints and due process hearings.

ADHSS staff also described the major revisions to its general supervision system made since July 2007 and reported that the revisions were to ensure the timely identification of all noncompliance, through the annual monitoring of all 17 regional EI/ILPs and the two separate State level agencies.

Identification of Noncompliance

ADHSS staff told OSEP that a finding is any violation of Part C of IDEA or State regulations identified through any component of its general supervision system. A finding results in the issuance of a written notification that includes a description of the noncompliant practice and the citation to the Federal or State statute or regulation that sets forth the requirement that was violated. A written finding may be issued within a couple of weeks but no later than 90 days from the identification of the noncompliance.

Threshold for Identifying Noncompliance

Prior to and during the verification visit, OSEP reviewed seven monitoring reports of EI/ILPs monitored by ADHSS during the FFY 2006 performance period. In four of the seven EI/ILP monitoring reports, OSEP found, and ADHSS staff confirmed, that: (1) no written finding was issued if an EI/ILP achieved a compliance threshold of 95% or above; and (2) thus, these areas of noncompliance were not reported as findings in ADHSS's FFY 2007 Annual Performance Report (APR) submitted to OSEP on February 1, 2009.

To correct this noncompliant practice, ADHSS staff reported that it would review the data for those EI/ILPs that achieved 95% or higher in FFY 2007 and issue written findings during FFY 2008, if the data reflected any level of noncompliance. ADHSS will report the data on correction of the FFY 2008 findings under Indicator 9 in the FFY 2009 APR, due to OSEP on February 1, 2011.

ADHSS revised its monitoring protocols in FFY 2007 and OSEP reviewed monitoring reports that ADHSS had issued during FFY 2008. All monitoring reports and documents reviewed by OSEP demonstrated that ADHSS: (1) identified all noncompliance, child-specific and systemic, for all EI/ILPs that did not achieve 100% compliance; and (2) issued written findings to the EI/ILPs with compliance rates below 100% within 90 days from the identification of the noncompliance.

Statewide Monitoring

ADHSS staff reported that noncompliance for Part C Indicators 1, 7, and 8 is currently identified annually at the child-specific and systemic level from ADHSS's web-based data system and through on-site focused monitoring visits. ADHSS staff reviewed with OSEP the web-based data system that generates a data dashboard and a compliance report card. These data reflect the level of compliance and performance for each EI/ILP on a quarterly basis. ADHSS staff reviews the data with the EI/ILP staff to: (1) track and compare performance from the previous to the current year; (2) identify areas of concern or issues; and (3) suggest interventions to minimize the reoccurrence of the identified noncompliance.

ADHSS staff compiles the data from its web-based system for the performance period of July 1 to June 30. These data are distributed to each EI/ILP in July and August to verify the accuracy of the data and to allow EI/ILPs to submit for approval documentation of exceptional child and family circumstances, if warranted. Once the data are reconciled by the EI/ILPs, ADHSS issues written findings of noncompliance in September.

Other Components to Identify Noncompliance

ADHSS staff reported that noncompliance is also identified from the review of data from self-assessments, desk audits, parent surveys, policies and procedures, and interagency agreements. ADHSS staff told OSEP that if the data indicated low performance for an IDEA performance indicator (e.g., Indicators 2, 4, 5, 6, and 13), other State-identified targeted areas, or persistent noncompliance, ADHSS staff conducts a follow-up monitoring visit with the targeted EI/ILP to identify the root cause for the low performance or continuous noncompliance. For example, ADHSS staff told OSEP that its review of the FFY 2007 parent survey data identified low performance in some EI/ILPs with the requirement in 34 CFR §303.400 regarding procedural safeguards. ADHSS staff directed targeted EI/ILPs to conduct a self-assessment and conducted follow-up interviews with the local staff. As a result, ADHSS staff: (1) identified noncompliance with the requirement in 34 CFR §303.400(b) that States ensure parents' and children's procedural safeguard rights; and (2) issued written findings of noncompliance within 90 days to the EI/ILPs.

ADHSS staff and representatives from EI/ILPs described the impact of the revision to ADHSS's general supervision system to meet the Part C requirement to identify noncompliance in a timely manner. State staff and EI/ILP coordinators discussed and presented documentation to show how local programs used the data posted on the dashboard and compliance report cards to track their performance and assess the impact of targeted improvement strategies. Other EI/ILP staff described for OSEP how the data from the dashboard and compliance reports are used to self-identify and correct noncompliance and make program improvements, if necessary, prior to ADHSS issuing written findings.

OSEP Conclusions

Based on the review of documents, analysis of data, interviews with State and local personnel, OSEP concludes the State has a general supervision system that is reasonably designed to identify noncompliance in a timely manner using its different components. However, without collecting data at the local level, OSEP cannot determine whether the State's procedures are fully effective in identifying noncompliance in a timely manner.

Required Actions/Next Steps

The State must provide confirmation in its FFY 2009 APR due to OSEP on February 1, 2011, that the State is continuing to: (1) ensure that all noncompliance is identified as a finding to EI/ILPs, regardless of the level of compliance; and (2) report on correction of findings of noncompliance identified in FFY 2008.

Critical Element 2: Correction of Noncompliance

Does the State have a general supervision system that is reasonably designed to ensure correction of identified noncompliance in a timely manner?

Verification Visit Details and Analysis

The OSEP Memorandum 09-02, issued October 17, 2008 (OSEP Memo 09-02) requires States to ensure that when noncompliance with the requirements of Part C of IDEA is identified, the noncompliance is corrected as soon as possible but no later than one year after ADHSS's identification of the noncompliance. To demonstrate compliance with this provision, ADHSS must verify that each local early intervention program with noncompliance: (1) is correctly implementing the specific regulatory requirements; and (2) has corrected each individual case of noncompliance, unless the child is no longer within the jurisdiction of the local early intervention program.

Procedures to Correct Noncompliance Prior to FFY 2008

Prior to and during the on-site verification visit, OSEP reviewed ten monitoring reports issued to EI/ILPs during FFY 2007 and determined that the procedures implemented by ADHSS to ensure timely correction of identified noncompliance were not consistent with OSEP Memo 09-02.

OSEP's review of ADHSS's FFY 2007 monitoring reports identified, and ADHSS staff confirmed, that the timeline for the one-year correction began on the date the corrective action plan is approved and not on the date the written finding is issued. ADHSS staff told OSEP that in most cases, EI/ILPs had 13–15 months to correct the noncompliance, which is one to three months beyond the one-year time requirement.

Current Practices to Ensure Timely Correction

ADHSS staff told OSEP that to ensure the timely correction of noncompliance, current implementation of its general supervision system includes: (1) issuance of a written "finding report" within 30 days but no later than 90 days from the identification of the noncompliance; (2) development of corrective action plans (CAPs) or improvement plans (IPs) based on the level of compliance achieved; (3) verification of correction via the web-based data system; (4) targeted training and technical assistance (TA); and (5) implementation of enforcement actions and sanctions, if necessary. However, if the EI/ILP corrects the noncompliance prior to ADHSS issuing the finding, ADHSS does not issue a written finding. ADHSS staff issued guidance to EI/ILPs on timely correction of noncompliance and conducted TA and training for EI/ILP staff. OSEP reviewed ADHSS's guidance and documentation of the TA and training conducted by ADHSS staff.

ADHSS staff reported, and OSEP reviewed, copies of monitoring reports issued for the FFY 2008 performance period. The monitoring reports include a CAP if the level of compliance for the EI/ILP is 95% or less and an IP if the level of compliance is 95% or above. Regardless of the level of compliance achieved, ADHSS directed the EI/ILP to correct all noncompliance identified within one year from the date of the issuance of the written finding. Each CAP or IP included specific improvement strategies to sustain compliance already achieved. These strategies included measureable bench marks designed to address the root cause of the identified noncompliance.

Verification of Correction of Noncompliance

To demonstrate correction at the child-specific level, ADHSS staff provided examples of CAPs and IPs issued to EI/ILPs that did not achieve full compliance based on the FFY 2007 performance data. ADHSS's analysis of IFSP data for the fourth quarter indicated that children in some EI/ILPs did not receive all services in September, as specified on their IFSPs. ADHSS staff identified noncompliance for those EI/ILPs and coded their performance as "red" on the dashboard. Both ADHSS and the EI/ILP staff tracked the performance data of the EI/ILPs through the web-based data system to verify that each child received the required services in October, although late.

To verify correction at the systems level, ADHSS staff reported that it verifies through the review of updated data that the EI/ILP is in compliance with the specific Part C regulatory requirements. OSEP reviewed the monitoring reports of all EI/ILPs identified with noncompliance for failure to hold the initial IFSP meeting within 45 days of the referral to Part C, based on FFY 2006 performance data. OSEP's review indicated that ADHSS and EI/ILP staff implemented improvement strategies and monitored the data on a monthly basis through the web-based data system and other mechanisms. The EI/ILPs demonstrated full compliance for two consecutive quarters subsequent to the issuance of the written finding. ADHSS staff reported that it determined from its review of the data that the EI/ILPs are correctly implementing the regulatory requirements regarding the 45-day timeline.

ADHSS staff reported that if EI/ILPs with a small enrollment of infants and toddlers report no data or the web-based data system indicates no children are enrolled for the four quarters following the issuance of the written finding, ADHSS conducts an on-site focused monitoring visit. ADHSS staff told OSEP that in some EI/ILPs no new children are enrolled, or in some instances, the child referred is unable to proceed in a timely manner with the referral or the IFSP process due to medical reasons. ADHSS staff conducts a root cause analysis, reviews policies and procedures, and develops improvement strategies with the EI/ILP staff before closing out the CAP and determining compliance. ADHSS continues to monitor the performance of EI/ILPs on a monthly basis through the web-based data system to ensure continuous compliance.

Sanctions and Enforcement Provisions

ADHSS staff also reported that ADHSS has the regulatory authority to impose sanctions and take enforcement actions should an EI/ILP fail to implement the required corrective action or the implementation of the corrective action does not result in full and timely correction. The list of sanctions includes: (1) direction of TA; (2) recovery of funds; (3) termination of contracts; and (4) imposition of special conditions. For example, OSEP reviewed a CAP and follow-up data for an EI/ILP that did not demonstrate timely correction for the noncompliance identified in FFY 2006. ADHSS staff took enforcement action that included: (1) conducting a root cause analysis to determine the causal factors contributing to the noncompliance; (2) requiring the EI/ILP to access targeted TA; and (3) imposing special conditions. ADHSS staff reported, and OSEP reviewed, subsequent data that demonstrated compliance following the implementation of the enforcement.

APR Data

The State's FFY 2007 APR data for Indicator 9 were 73.3%. The State's FFY 2008 APR data for Indicator 9 on timely correction were 77.36%. The State reported in its FFY 2007 APR that 14 of 15 findings of noncompliance identified in FFY 2006 were corrected. The State reported in its FFY 2008 APR that 41 of 53 findings of noncompliance identified in FFY 2007 were corrected in a timely manner and that 11 findings were subsequently corrected by February 1, 2010. While the State has corrected all but two findings of noncompliance, its correction has not been timely.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes that, although the State has a general supervision system that has components that are reasonably designed to ensure correction of identified noncompliance in a timely manner, the State has not demonstrated that it has timely corrected findings of noncompliance. Additionally, without also collecting data at the local level, OSEP cannot determine whether the system is fully effective in correcting noncompliance in a timely manner.

Required Actions/Next Steps

In the FFY 2009 APR, due to OSEP on February 1, 2011, the State must submit Indicator 9 data that demonstrate that it has timely corrected findings of noncompliance.

Critical Element 3: Dispute Resolution

Does the State have procedures and practices that are reasonably designed to implement the dispute resolution requirements of IDEA?

Verification Visit Details and Analysis

ADHSS staff told OSEP that ADHSS implements Part C dispute resolution requirements. ADHSS staff reported that fewer than ten complaints were filed and no requests for mediations or due process hearings were received since the FFY 2005 reporting period. ADHSS staff told OSEP that policies and procedures are in place to implement dispute resolution functions, and ADHSS monitors EI/ILPs to ensure that families are informed of their rights. ADHSS staff confirmed that EI/ILPs obtain consent to initiate services on the IFSP and when proposing change to the IFSP, as required by the Part C regulations. For example, ADHSS staff learned from its analysis of the data from parent surveys that parents expressed concern regarding their procedural safeguards. ADHSS staff conducted follow-up monitoring in the low-performing EI/ILPs, identified noncompliance and issued written findings. ADHSS staff reported that it conducts annual training on procedural safeguards in conjunction with Part B State and Parent Training and Information Center (PTI) staff. ADHSS staff reported that the approved State dispute resolution policies and procedures and parents' rights brochure have been on file with OSEP since August 2003.

OSEP learned that ADHSS staff encourages the EI/ILPs to resolve any problems or issues raised by families or providers. If parents or individuals are not satisfied with the response at the EI/ILP level, EI/ILP staff encourages families and individuals to contact ADHSS staff, who provides guidance on how to file a formal complaint. ADHSS staff also reported to OSEP that it

always follows up with parents and individuals to ensure that issues or inquiries are resolved consistently with the Part C regulations.

ADHSS requires its staff to participate in annual training regarding dispute resolution procedures. ADHSS Part C staff conducts mediations and complaint investigations, and ADHSS contracts with the State's Part B staff to conduct the due process hearings. ADHSS staff reported that it found the annual training helpful because it provided staff, mediators and hearing officers with the most up-to-date information about Part C's statutory and regulatory requirements.

OSEP Conclusions

Based on the review of documents and interviews with State and local personnel, OSEP determined ADHSS has procedures and practices that are reasonably designed to implement the dispute resolution requirements of IDEA. However, because ADHSS has not received any due process hearing requests, OSEP could not determine the effectiveness of those procedures and practices.

Required Actions/Next Steps

No action is required.

Critical Element 4: Improving ADHSS Results

Does the State have procedures and practices that are reasonably designed to improve ADHSS results and functional outcomes for all infants and toddlers with disabilities?

Verification Visit Details and Analysis

Utilizing Data to Improve Results

ADHSS staff reported using the data and information collected through ADHSS's general supervision system, particularly its web-based data system, to plan systems improvement. ADHSS staff told OSEP that, since the implementation of the web-based data system, procedures and actions ADHSS has taken are more streamlined and effective. ADHSS's web-based data system generates a tickler file and issues a reminder report on a monthly basis to EI/ILP staff informing them of their performance in implementing Part C timeline requirements. In addition, ADHSS staff holds monthly discussions with EI/ILP staff to identify trends and issues. For example, an EI/ILP coordinator told OSEP that the analysis of the data from the Compliance Report Card and reminder report had indicated low program performance regarding the 90-day transition conference. The EI/ILP coordinator's follow-up discussion with EI/ILP staff indentified the need to improve planning and coordination with the local Part B staff. As a result, the EI/ILP staff achieved compliance by implementing strategies to improve coordination with the local education staff.

ADHSS staff reported that the tickler files and reminder reports save EI/ILP staff on average 10–12 hours every quarter. As a result, EI/ILP staff can devote more time to work with Part C children and their families.

ADHSS staff reported using Compliance Report Cards and other custom reports to identify challenges to the system and present the information to State and local administrators to develop possible improvement strategies. Recent challenges identified by ADHSS staff included: (1) determining the effectiveness of the early intervention system on the outcomes for infants and toddlers with disabilities and their families; (2) implementing statewide initiatives to recruit and retain qualified personnel; and (3) identifying strategies to address: (a) the rising cost of providing EIS; (b) the growing increase in referrals; and (c) the lack of increases in funding.

To address these challenges, ADHSS staff reported that with improvements to its web-based data system, the State compiles and reports child outcome data across the required 15 categories. With parental consent, ADHSS shares the child outcome data with Part B to serve as their preschool entrance scores. When a child is ready to transition from Part C to Part B, ADHSS staff assigns a unique identification number that can be matched with the ADHSS records to look at longitudinal progress and compile outcomes data throughout the child's enrollment in the Part B system.

ADHSS staff also reported that it contracted with the local university to conduct a cost analysis of the actual cost of implementing Part C services to: (1) determine whether the current distribution of funds is consistent with the needs of each EI/ILP; and (2) revise its current eligibility criteria from 50% delay to 25% delay. The cost-study was completed in November 2009 and ADHSS staff projects it will send its recommendations to the State legislature in the fall of 2010.

Statewide Training Initiatives

The Alaska Transition Training Initiative (ATTI), jointly funded by Part B and Part C, has been in operation for 13 years and provides ongoing support to local communities to develop, support and sustain collaborative transition communities of practices that result in the timely transition of children from Part C to Part B. Parent trainers are included as members of the training teams along with representatives from Part B and Part C staff, local Head Start and other community members as appropriate. ADHSS staff reported that ATTI participants demonstrate increased knowledge and understanding of the early childhood transition requirements, and that the training has improved State performance.

The Positive Behavior Support Initiative (PBSI) is a collaborative early intervention mental health model awarded to the PTI from the Mental Health Trust Foundation to train Part C, 619, child care, and Head Start parents. The six-week curriculum is designed to strengthen parent and child relationships and enable parents to interact appropriately with young children who exhibit challenging behaviors. ADHSS staff reported that the program has been successful in supporting foster families who care for children placed out of the home and are then reunited with their parents by offering families the support to engage in positive behavioral and social interactions.

In addition, ADHSS staff reported that the PBSI was one of three demonstration sites participating in the Center for Social Emotional Foundations for Early Learning, a three-year discretionary grant funded by OSEP. This initiative is designed to address the influx of referrals from Child Protective Services. ADHSS staff is implementing positive behavioral approach

interventions and will measure their effectiveness as part of its analysis of the social/emotional outcomes data.

OSEP Conclusions

Based on the review of documents and interviews with State and local personnel, OSEP concludes the State has procedures and practices that are reasonably designed to improve ADHSS's results and functional outcomes for all infants and toddlers with disabilities.

Required Actions/Next Steps

No action is required.

Critical Element 5: Implementation of Grant Assurances

Does the State have procedures and practices that are reasonably designed to implement selected grant application requirements (i.e., monitoring and enforcement, CSPD and interagency agreements, contracts or other arrangements)?

Verification Visit Details and Analysis

During OSEP's verification visit, ADHSS staff reported on the implementation of Part C grant application assurances related to monitoring and enforcement (specifically, local determinations and public reporting), interagency agreements, and ADHSS's system for personnel development.

Local Determinations and Public Reporting:

As part of its annual responsibilities under sections 616 and 642 of the IDEA, ADHSS must report to the public on the performance of each EI/ILP program in meeting ADHSS's SPP/APR targets and make a determination for each EI/ILP program. ADHSS staff reported that the posting of local performance results for FFY 2006, FFY 2007 and FFY 2008 was completed. During the verification visit, OSEP reviewed ADHSS's website and confirmed the posting of each EI/ILP's data against ADHSS's established targets. ADHSS staff sends a written formal notice to each EI/ILP coordinator regarding the program's determination and any required enforcement action. This notice also includes information regarding verified correction of findings of noncompliance.

Local determinations are made based on a rubric that plots each EI/ILP's performance in the following areas: (1) audit findings; (2) compliance rate for current year; (3) timely correction for previous findings; (4) timely, accurate and valid data; and (5) performance on State targets for quality indicators. An EI/ILP may meet requirements, yet not have achieved 100% compliance for all indicators. In these cases, the EI/ILP demonstrates substantial compliance for determination purposes by achieving a compliance rate of 95% or above.

Any compliance indicator showing less than 100% represents a finding of noncompliance and the EI/ILP is required to correct it as soon as possible, but no later than one year from the issuance of the written finding. For quality indicators, the EI/ILP develops an improvement plan with strategies to improve overall performance. ADHSS staff provided, and OSEP reviewed, written documentation of determinations issued to each EI/ILP in FFY 2006 through FFY 2008.

ADHSS staff reported that its local grant/contract agreements contain enforcement provisions such as: (1) provisions to reduce or withhold funds; (2) special conditions; and (3) termination provisions.

While ADHSS staff reported that it has not terminated a contract, ADHSS did impose special conditions on EI/ILP contracts for failure to demonstrate timely correction of identified noncompliance.

Interagency Coordination:

Under IDEA sections 635(a)(10), 637(a)(2), (6) and (9), and 640, each State lead agency must include in its Part C application: (1) a certification to ensure service provisions and fiscal responsibility; (2) policies and procedures regarding early childhood transition (including an interagency agreement, since the lead agency is not the SEA); and (3) potential interagency agreements regarding the referral of children under the Child Abuse Prevention and Treatment Act (CAPTA).

ADHSS staff described for OSEP the various interagency agreements entered into at the State and local levels. The interagency agreement with CAPTA is to ensure that appropriate identification and referral procedures are in place to ensure timely access of all potentially eligible infants and toddlers to the Part C system. OSEP will review and respond in a separate letter to the CAPTA agreement.

ADHSS staff reported that efforts to coordinate with Medicaid are to ensure the payor of last resort and enhance coverage for early intervention by ensuring that all Part C eligible infants and toddlers are enrolled. ADHSS staff reported that the eligible Medicaid population constitutes 50%–70% of the eligible Part C population.

To enhance Medicaid coverage for early intervention services, including targeted case management, ADHSS staff writes grants for the Short Term Assistance and Referral (STAR) program under the State Developmental Disabilities Program to cover underinsured Part C eligible children to ensure that all children have access to timely early intervention services, as documented on the IFSP.

ADHSS's collaboration with the Alaska Department of Education and Early Development (ADEED), at both the State and local levels, focuses on the transition from Part C to Part B and tracking outcomes for Part C eligible children. The web-based data system makes the transition process easier to follow and more streamlined. In some EI/ILP regions there are interagency agreements between local early intervention programs and local school districts to jointly cover the costs of therapy services, particularly in the areas of speech and physical therapy. Therapists from another city may have travel expenses covered by a school district to provide needed related services but remain after school hours to provide early intervention services in the evenings and on weekends for Part C eligible children. The Part C program picks up the costs for the early intervention services provided in the evenings or on weekends. This collaborative service delivery model improves the transition process by allowing families to interact with the same therapist from Part C throughout the preschool years. OSEP will review and respond in a separate letter to ADHSS's agreement with ADEED.

ADHSS staff coordinates with the Head Start's Kid Core program to offer placement options based on the child's and family's needs (e.g., by encouraging families to look at Head Start instead of a local school district as a placement) and to ensure that the needed related services are provided regardless of the placement decision. This past year, ADHSS staff worked together with Head Start and Stone Soup staff to transition some 300 children from Part C to appropriate Part B placements.

Personnel Development

ADHSS staff reported that the Statewide Professional Development Framework, known as SEED, provides for: (1) data collection on the early intervention workforce; (2) recognition and professionalism in the field of early education; (3) a mechanism to inform policy makers of the workforce in early intervention and education; and (4) a process to track progress of individual practitioners. ADHSS requires all providers to register in the SEED registry by providing information regarding professional training, degrees, awards and work experience. State staff uses this information to identify the programs and regions in need of training and/or TA or to serve as a model for other EI/ILP programs.

OSEP Conclusions

Based on the review of documents and interviews with State and local personnel, OSEP concludes the State has procedures and practices that are reasonably designed to implement selected grant application requirements (i.e., local determinations, public reporting, and interagency agreements and personnel development).

Required Actions/Next Steps

No action is required.

II. Data System

Critical Element 1: Collecting and Reporting Valid and Reliable Data

Does the State have a data system that is reasonably designed to collect and report valid and reliable data and information to the Department and the public in a timely manner?

Verification Visit Details and Analysis

In interviews with OSEP, ADHSS staff reported that its web-based data system allows for on-site record reviews to collect data and report the data to the Department and the public under sections 618 and 616 (SPP/APR) of the IDEA. These data are live, real-time data. The Part C data manager provides oversight for the data system with support for programming from staff in ADHSS's Bureau of Vital Statistics.¹ ADHSS's staff maintains confidentiality through the use of passwords, user identification codes, and policies that identify State and local staff that can enter, view and modify personally identifiable information in the data system.

The web-based data system incorporates data validation procedures to verify accurate and complete data. To ensure the accuracy of the data, all required fields must be completed before

¹ ADHSS staff reported that its Office of Children's Services, Early Intervention/Infant Learning Program has an intra-agency agreement with the Alaska Bureau of Vital Statistics, which is responsible for managing vital records in the State of Alaska. OSEP did not review this agreement.

proceeding in the data system. The web-based data system includes software that generates specialized reports that identify missing data elements, noncompliance and data trends. ADHSS requires EI/ILPs to submit quarterly compliance reports verifying correct and accurate data. These reports describe the status of ADHSS's performance with Indicators 1, 2, 3, 7, 8A, 8B, 8C, 9 and required data for 616 and 618. OSEP reviewed runs of various data sets performed by ADHSS staff that included: (1) data sets of children awaiting services; (2) data sets of contacts by providers; (3) a data compliance summary; and (4) a quarterly narrative summary.

EI/ILP designated personnel enter the data on an ongoing basis and verify the data periodically but no later than June 30 of each year. ADHSS requires EI/ILP staff to clean data prior to quarterly data verification. ADHSS staff holds monthly teleconferences with EI/ILP staff to address any concerns or data anomalies. ADHSS staff can check when data is not accurate and EI/ILPs can monitor themselves and make adjustment as necessary. ADHSS staff provides EI/ILP staff ongoing technical assistance and requires new EI/ILP staff to access the data modules to ensure the validity, accuracy and proper use of the data.

OSEP Conclusions

Based on the review of documents, analysis of data, demonstration of the system and interviews with State and local personnel, OSEP concludes the State has a data system that is reasonably designed to collect valid and reliable data and information, and report this data and information to the Department and the public in a timely manner. However, without also conducting a review of data collection and reporting practices at the local level, OSEP cannot determine whether all public agencies in the State implement the State's data collection and reporting procedures in a manner that is consistent with Part C.

Required Actions/Next Steps

No action is required.

Critical Element 2: Data Reflect Actual Practice and Performance

Does the State have procedures that are reasonably designed to verify that the data collected and reported reflect actual practice and performance?

Verification Visit Details and Analysis

ADHSS staff described, and provided to OSEP copies of, the statewide data collection forms that all EI/ILPs use to collect and enter data into the electronic database and to record self-reviews of child records. ADHSS staff holds the administrators accountable for providing data and information that are complete and creditable. During ADHSS's annual on-site visit and redesignation process, ADHSS staff evaluates each EI/ILP administrator and the procedures and capacity of the Family Centered Early Supports and Services (FCESS) program for collecting and reporting data.

ADHSS staff review the data for anomalies and monitor EI/ILPs to ensure the data are reflective of actual practice. The web-based data system generates error messages to ensure validity of the data. ADHSS staff conducts quarterly examinations and requires local EIS programs to explain their practices in relation to data results.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes the State has procedures that are reasonably designed to verify that the data collected and reported reflect actual practice and performance. However, without conducting a review of data collection and reporting policies at the local level, OSEP cannot determine whether all public agencies in the State implement the State’s data collection and reporting procedures in a manner that reflects actual practice and performance.

Required Actions/Next Steps

No action is required.

Critical Element 3: Integrating Data Across Systems To Improve Compliance and Results

Does the State compile and integrate data across systems and use the data to inform and focus its improvement activities?

Verification Visit Details and Analysis

During the visit, the ADHSS and FCESS program staff frequently discussed the use of continuous data collection to: (1) link data with program improvement and compliance; (2) meet the training and technical needs of the FCESS system to ensure maintenance of compliance with Part C requirements and retention of qualified personnel; and (3) implement collaborative activities between ADHSS staff, EI/ILP administrators, FCESS program staff, and other agency staff to promote program improvement and achieve compliance. ADHSS staff reported using the web-based system to: (a) monitor potential systemic problems and grantee performance; and (b) ensure timely correction through quarterly data cleaning and the year-end verification process. ADHSS staff encourages local EIS programs to use the database to monitor their performance.

ADHSS staff told OSEP that data collection and analysis is an integral part of their ongoing activities. For example, the ADHSS has a prescribed schedule for each EI/ILP and FCESS program review and data collection, beginning with “status meetings” held in March each year with ADHSS staff, EI/ILP administrators and other personnel, and FCESS program staff. As a result, ADHSS staff reported to OSEP that EI/ILP administrators and FCESS program staff have a clear picture of the current status and progress of each EI/ILP and FCESS program in implementing IDEA, Part C regulations, and that this results in a uniform mechanism for analyzing information regarding performance and compliance.

OSEP Conclusions

Based on the review of documents, analysis of data, demonstration of data system capabilities and interviews with State and local personnel, OSEP has determined that the State compiles and integrates data across systems and uses the data to inform and focus its improvement activities.

Required Actions/Next Steps

No action is required.

III. Fiscal System

Critical Element 1: Timely Obligation and Liquidation of Funds

Does the State have procedures that are reasonably designed to ensure the timely obligation and liquidation of IDEA funds at the State level?

Verification Visit Details and Analysis

ADHSS has financial and management systems in place to ensure the timely obligation and liquidation of funds. ADHSS's financial unit is the State agency responsible for managing and coordinating all State administrative and financial functions, including operating ADHSS's automated accounting system used for cost allocation, cash management (including obligation and liquidation), and budgetary control.

ADHSS's fiscal, grants and contract staff analyze all financial activity to ensure funds are obligated and expended in a timely manner consistent with Federal guidelines. Funds allocated to EI/ILPs are monitored at least quarterly to ensure timely expenditures. State staff reviews all encumbrances yearly to ensure the timely liquidation of obligated funds is consistent with section 30.040 of Alaska's Administrative Manual. Appropriate follow-up is taken if necessary to ensure timely obligations and liquidations. OSEP reviewed ADHSS's online system that ensures the awarding and encumbering of funds does not result in over- or under-expenditures. ADHSS staff also provided OSEP with a copy of an amended contract to demonstrate the implementation of ADHSS's policy to ensure fiscal accountability. ADHSS's fiscal system allows EI/ILPs 12 months to obligate and liquidate the funds and ADHSS staff conducts a review at the end of the 12-month period. Line items adjustments can be made to cover unanticipated costs. ADHSS staff notifies EI/ILPs regarding unspent funds. If the EI/ILP indicates that the funds will not be used during the designated time period, ADHSS will recover and reallocate the funds based on need to another line item, or EI/ILP. ADHSS assigns all funds a financial activity code. ADHSS staff monitors expenditures to ensure that funds are being spent consistently with allocation codes on a yearly basis.

ADHSS staff reported that it contracts with an external auditor to conduct annual single audits of ADHSS. In addition, all EI/ILPs must contract with an independent auditor to conduct the single audit process. The EI/ILPs forward the single audit reports to ADHSS's financial unit for review prior to the issuance of new contracts to the EI/ILPs. If ADHSS identifies noncompliance, ADHSS staff will follow up to ensure immediate correction. ADHSS staff reported that there were no audit findings within the past three years.

OSEP's review of the Department's Grants Administration and Payment System (GAPS) identified that Alaska liquidated all of its Part C funds between FFY 2002 and FFY 2007. At the time of OSEP's visit, the lead agency was not yet required to liquidate its FFY 2008 Part C grant award funds. OSEP subsequently reviewed GAPS and determined that all of ADHSS's FFY 2008 funds were liquidated as of June 30, 2010.

OSEP Conclusions

Based on the review of documents, analysis of data and interviews with State and local personnel, OSEP concludes the State has procedures that are reasonably designed to ensure the timely obligation and liquidation of IDEA funds at the State level.

Required Actions/Next Steps

No action is required.

Critical Element 2: Appropriate Use of IDEA Funds

Does the State have procedures that are reasonably designed to ensure appropriate use of IDEA funds at the State level?

Verification Visit Details and Analysis

Each lead agency must ensure that the expenditure of IDEA Part C funds at the State level is consistent with the requirements in IDEA section 638, the EDGAR, OMB Circulars A-87 and A-133, and other applicable Federal requirements. ADHSS utilizes private insurance, Medicaid, and State-directed funds to provide early intervention services. Functions built into ADHSS's accounting system do not allow commingling of any of the sources of funding. Federal Part C funding covers the salaries for the Part C coordinator, a program specialist, and an administrative assistant; maintenance and implementation activities at the ADHSS level; the SICC; and direct services not covered by State funds or private or public insurance.

To ensure that ADHSS is expending all Federal and State funds appropriately, ADHSS reported that it has policies and procedures in place, including interagency agreements and contractual arrangements, to ensure the coordination of resources and to ensure that Federal Part C dollars are used for appropriate purposes and as the payor of last resort. ADHSS staff reported that it includes in each contract agreement the following conditions to ensure the appropriate use of funds: (1) report separately State and Federal Part C expenditures; (2) report quarterly program receipts from all income sources in the web-based data system; (3) seek reimbursement from third-party payors for reimbursable services; and (4) bill Medicaid for all reimbursable services. ADHSS established allocation codes unique to Part C to track financial activity.

ADHSS staff reported that its policies for payor of last resort, including its system of payments, are outlined in the ADHSS's Part C policies and procedures on file with OSEP. The EI/ILPs have procedures and automated accounting systems that ensure the Federal Part C dollars are used as payor of last resort. ADHSS staff reported to OSEP that it accesses private insurance and Medicaid first whenever a child is eligible and the service is a reimbursable or claimable service. If the early intervention service is not timely approvable or not approved under public or private insurance, Part C State funds are used to pay for the services as payor of last resort.

ADHSS staff provided to OSEP spreadsheets that demonstrate maintenance of effort. The reports included the total amount of expenditures from the previous year, including funds received from other collaborating agencies. For the next year budget, ADHSS staff reported that the amount budgeted is equal to or exceeds the total expenditures from the previous year.

Alaska Part C 2009 Verification Visit Letter Enclosure

OSEP requested evidence that the nonsupplanting provisions were implemented in accordance with the nonsupplanting and maintenance of effort (MOE) requirements in IDEA section 637(b)(5)(B) and 34 CFR §303.124 for at least the past three years. ADHSS staff demonstrated ADHSS's compliance with these provisions for its Part C grants from FFY 2006 through FFY 2008. ADHSS has a current cost allocation plan related to indirect costs charged to the Part C grant that is applicable until ADHSS revises it and it is approved by its Federal cognizant agency.

OSEP Conclusions

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP concludes the State has procedures that are reasonably designed to ensure appropriate use of IDEA funds at the State level.

Required Actions/Next Steps

No action is required.