

## Wisconsin Part C 2009 Verification Visit Letter

### Enclosure

#### Background

The Department of Health Services (DHS) is the State lead agency responsible for administering Part C of the Individuals with Disabilities Education Act (IDEA) in Wisconsin. The Part C Program, known as the Birth to Three Program, is located within DHS's Division of Long Term Care, Bureau of Long Term Support (BLTS). DHS administers early intervention services (EIS) through a contract with an administrative agency in each of the State's 72 counties. Throughout this Enclosure, the Office of Special Education Programs (OSEP) will use the term "counties" to refer to these 72 local EIS programs. Pursuant to their contracts with DHS, counties are responsible for compliance with the requirements of Part C of the IDEA and State requirements, and for hiring or contracting with providers for Part C services, including service coordinators.

The DHS Birth to Three Program staff consists of the Part C Coordinator, an administrative person, and three program specialists. The Birth to Three Program has assigned one of these staff members as a liaison to each of the 72 counties. DHS also reported that it contracts with collaborating partners from two statewide projects, the Wisconsin Personnel Development Project (WPDP), housed at the Waisman Center at the University of Wisconsin, and the Regional Enhancement and Support (RESorce), to provide technical assistance to support the implementation of Wisconsin's Birth to Three Program.

#### I. General Supervision

##### *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

DHS informed OSEP that it utilizes the following components of its general supervision system to identify noncompliance: (1) annual self-assessment by all counties; (2) the collection of compliance data through the State's database; (3) on-site reviews in all counties on a four-year cycle; (4) focused monitoring; and (5) dispute resolution. The Birth to Three staff works together with the RESorce staff to conduct these activities. In addition to these components that the State uses to identify noncompliance, as further described below, the State emphasized its close technical assistance relationship with the counties to assist them in preventing noncompliance.

After OSEP's November 2006 verification visit, DHS developed a self-assessment process, which it first piloted in 2006, and which continues to evolve. To date, each of the counties has completed an annual self-assessment at least twice, and those counties that were involved in the pilot process have completed three annual self-assessments. The State reported that it views the self-assessment as a way for the counties to examine their own performance and identify where they need improvement and technical assistance. Self-assessment is also a rigorous process that moves accountability down to the county-level. As part of these annual self-assessments, DHS requires counties to report on a full year's data from July 1 through June 30. The State informed

OSEP that if any of the information in a county's self-assessment indicates possible noncompliance, the State will collect further information through interviews, desk audits, on-site reviews, and/or follow-up activities to determine whether there is any noncompliance; and, if so, the State will issue a finding.

In November 2008, DHS implemented and began to collect real time data for SPP/APR compliance Indicators 1, 7, and 8 from its new web-based data system, the Program Participation System (PPS), replacing the former database system, the Human Service Reporting System (HSRS). (See the discussion in Data Systems Critical Element 1 regarding this transition.) Each year, at the time of DHS's "annual data checkpoint," the State reviews the compliance data in the database, and makes findings of noncompliance if the data for a compliance indicator are below 100%. DHS also uses the database to track county progress toward correction of identified noncompliance. (See the discussion in General Supervision Systems Critical Element 2 regarding timely correction.) DHS informed OSEP that if a county's data show poor performance on results Indicators 2, 3, 4, 5, and/or 6, DHS will work with the county to "drill down" into the data to identify possible barriers (including any noncompliance) and strategies for improvement.

The State reported that it conducts an on-site review of each of the counties at least once every four years; Milwaukee County receives yearly on-site visits. DHS began a new four-year cycle in FFY 2006, and is now in the final year of the cycle. DHS begins the planning process for each county by reviewing the county's self-assessments. DHS staff conducts the on-site review of each county, in collaboration with RESource staff. DHS reported that, as part of each on-site review, it: (1) verifies the accuracy of data the county has submitted under sections 616 (APR data) and 618 of the IDEA, and as part of the county's self-assessments, by comparing those data with the information in child and family records; (2) provides technical assistance; and (3) determines whether there are any findings of noncompliance that require correction within one year. This process could result in a focused monitoring visit and/or DHS and its technical assistance partners working with the county to develop a Program in Partnership Plan (PIPP) and provide technical assistance to help the county correct any issues of noncompliance. As part of its on-site visits with the counties, DHS partners with the Great Lakes Inter-Tribal Council (GLITC) to expand its outreach to families who are Native American and build or strengthen relationships between county Birth to Three Programs and local Tribal partners.

In addition to the cyclical on-site monitoring reviews, the State has conducted three to five focused monitoring reviews each year when needed to follow up on problematic data, and/or to clarify data, practices, policies or procedures. DHS conducts these reviews, which may occur at any time, on-site or by conference call. Although the primary purpose of these reviews is to help counties analyze their data, if DHS finds noncompliance, it will issue a finding of noncompliance and require correction within one year.

As explained in the discussion of General Supervision Critical Element 3, DHS has received only one State complaint and one due process hearing request in the past five years. The State informed OSEP that if noncompliance were identified through a State complaint or a due process hearing, the State would make a written finding of noncompliance and require timely correction.

### **OSEP Conclusions**

Based on the review of documents, analysis of data, and interviews with State and local personnel, OSEP has determined that DHS has a general supervision system that is reasonably

designed to identify noncompliance in a timely manner using its different components. Without collecting data at the local level, OSEP cannot determine whether DHS's procedures are fully effective in identifying noncompliance in a timely manner.

### **Required Actions/Next Steps**

No action is required.

### ***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**

In its FFY 2007 APR, DHS reported that it timely corrected 100% (14 of 14) of its FFY 2006 findings of noncompliance. This represented progress from the FFY 2006 data of 85.3% for Indicator 9, based on correction of FFY 2005 findings.

As explained above, DHS informed OSEP that it utilizes the following components of its general supervision system to identify noncompliance: (1) annual self-assessment by all counties; (2) the collection of compliance data through the State's database (since November 2008, the PPS database; before November 2008, the HSRS database); (3) on-site reviews in all counties on a four-year cycle; (4) focused monitoring; and (5) dispute resolution. As further explained by the State, most findings have been made through the database (for Indicators 1, 7, and 8) or through the cyclical on-site reviews.

OSEP Memorandum 09-02 (OSEP Memo 09-02), dated October 17, 2008, provides that "[f]or any noncompliance concerning a child-specific requirement that is not subject to a specific timeline requirement . . . the State also must ensure that the . . . EIS program has corrected each individual case of noncompliance, unless the child is no longer within the jurisdiction of the . . . EIS program." OSEP Memo 09-02 further clarifies that, "for any noncompliance concerning a child-specific timeline requirement . . . the State must ensure that the . . . EIS program has completed the required action (e.g., the evaluation or initiation of services), though late, unless the child is no longer within the jurisdiction of the . . . EIS program." The Memorandum further requires that the State "[d]etermine, in each . . . EIS program with identified noncompliance, that the . . . EIS program is correctly implementing the specific regulatory requirement(s)" that was the basis for the noncompliance finding. This must be based on the State's review of updated data such as data from subsequent on-site monitoring or data collected through a State data system." During the verification visit, OSEP interviewed DHS regarding its methods and standards for determining whether noncompliance has been corrected and how the State is complying with the guidance that OSEP provided in OSEP Memo 09-02.

For noncompliance identified through the PPS data system for Indicators 1 (timely provision of services), 7 (45-day timeline for completing the initial evaluation and assessment and initial IFSP meeting), and 8 (transition from Part C to Part B), DHS has required each county with noncompliance to demonstrate correction by having a two-month period (subsequent to the date of the finding) of 100% compliance. DHS acknowledged that it had not, however, also verified that the county had completed the required action for those children for whom the State had found noncompliance. Later during the verification visit, DHS informed OSEP that it had gone back and verified that child-specific correction had occurred prior to the date on which DHS had

verified correction of all of the FFY 2007 findings. DHS assured OSEP that it would fully comply with the requirements of OSEP Memo 09-02 in future verification of correction.

DHS informed OSEP that the primary purpose of the county self-assessments is to enable counties to identify areas needing improvement and strategies for such improvement, but that if any of the information in a county's self-assessment indicated possible noncompliance, DHS would collect further information through interviews, desk audits, on-site reviews, and/or other follow-up activities to determine whether there was, in fact, any noncompliance. If DHS found noncompliance through these follow-up activities, it would require correction within one year from notification to the county and would use activities similar to the processes that it used to identify the noncompliance. DHS explained that the specific documentation that it would require from a county to verify correction would depend on the specific nature of the noncompliance and of the evidence that had led to the finding. DHS explained to OSEP during the verification visit that in the future, before determining that a finding had been corrected, it would require documentation, consistent with OSEP Memo 09-02, to ensure: (1) correction of any child-specific noncompliance; and (2) current compliance with the specific regulatory requirement(s). DHS further informed OSEP that while the purpose of focused monitoring was not to identify new noncompliance, if DHS made a finding through focused monitoring, it would follow the same correction verification procedures as for noncompliance identified based on a county self-assessment.

As noted in General Supervision Critical Element 3, the Birth to Three Program has received only one State complaint and no hearing requests in the past five calendar years. The December 2009 complaint included findings of noncompliance. DHS told OSEP that it would comply with the requirements of OSEP Memo 09-02 in verifying correction of any findings of noncompliance from a State complaint or due process hearing. During the verification visit, OSEP reviewed the standard contract between DHS and counties for implementation of Part C. OSEP noted that the contract included the following statement: "Data entered into PPS will reflect substantial compliance for [the Part C APR compliance indicators]." OSEP raised with DHS its concern that the use of the term "substantial compliance" in this context could be read to mean that less than 100% compliance with Part C requirements was acceptable. DHS explained to OSEP that it was not the State's intent to communicate to counties that less than 100% compliance was acceptable and provided OSEP with revised boilerplate language for future contracts in which it replaced "substantial" with "100%."

### **OSEP Conclusions**

As explained above, DHS informed OSEP during the verification visit that, in verifying correction of findings of noncompliance for Indicators 1, 7, and 8 based on the database, it had not been verifying whether the county had corrected child-specific noncompliance. Later during the verification visit, however, DHS informed OSEP that it had gone back and verified that child-specific correction had occurred prior to the date on which DHS had verified correction of all of the FFY 2007 findings.

With the exception of this issue, OSEP concludes, based on the review of documents, analysis of data, and interviews with State personnel, that DHS has a general supervision system that has components that are reasonably designed to ensure correction of identified noncompliance in a timely manner. Without collecting data at the local level, OSEP also cannot determine whether DHS's procedures are fully effective in correcting noncompliance in a timely manner.

**Required Actions/Next Steps**

No further action required.

***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**

The State provided data to OSEP during the verification visit (detailed in the table below) showing that over the past 12 years, the State has received very few complaints and requests for mediation and due process hearings. The State told OSEP that it has, on multiple occasions, met with the State Interagency Coordinating Council (SICC) and the staff from the Parent Training and Information Center to discuss this infrequent use by parents of the State’s dispute resolution systems and to discuss how to ensure that parents are well informed about the dispute resolution options and how to access them.

<b>Calendar Year</b>	<b>State Complaints</b>	<b>Mediation Requests</b>	<b>Due Process Hearing Requests</b>
1998	0	1	1
1999	0	1	0
2000	1	0	0
2001	1	1	1
2002	1	1	1
2003	0	1	0
2004	1	0	0
2005	0	1	0
2006	0	0	0
2007	0	1	0
2008	0	1	0
2009	1	1	0
<b>Total</b>	<b>5</b>	<b>9</b>	<b>3</b>

The State also reported that: (1) it resolved the State complaints received in 2000, 2001, 2002, 2004, and 2009 within 60 calendar days from the date on which the State received them, consistent with the requirements of 34 CFR §303.512(a); (2) the hearing officer granted an

extension, at the request of the parent, for the decision in the 1998 hearing; and (3) the parents withdrew the request for hearings in 2001 and 2002. The State confirmed that it makes mediation available at any time and not just when a party has requested a due process hearing.

As the State reported in its SPP, and confirmed during the verification visit, the State has chosen, pursuant to 34 CFR §303.420(b), to develop Part C procedures for mediation and due process hearings, rather than to adopt Part B mediation and due process hearings. Pursuant to the Part C regulations at 34 CFR §303.423(b), in States that, like Wisconsin, have adopted Part C hearing procedures, the hearing officer must issue a written hearing decision within 30 days from receipt of the due process complaint (hearing request), and extensions of that timeline are not permitted. In reviewing DHS's guidance materials for procedural safeguards, OSEP found that those documents indicated that the hearing decision timeline was 45 days, rather than the required 30-day timeline, and that the hearing officer could extend the timeline. DHS clarified that while the guidance was erroneous, the State's standard for timely hearing decision has always been 30 days, with no extension permitted. As noted above, there has been no hearing request since 2001. The State immediately revised all of the relevant guidance documents to ensure that they correctly stated the hearing decision timeline as 30 calendar days with no extensions.

The Part C regulations at 34 CFR §303.403 require that written prior notice be given to the parents of a child eligible under Part C a reasonable time before a public agency or service provider proposes, or refuses, to initiate or change the identification, evaluation, or placement of the child, or the provision of early intervention services to the child and the child's family. Pursuant to this regulation, a public agency would, for example, be required to provide prior written notice following an IFSP meeting in which it was decided to change services for the child, rather than informing the parents of the proposed change in services as part of the invitation to the parent to come to the IFSP meeting. During the verification visit, it became apparent that DHS staff has misinterpreted this requirement and believed that prior written notice of any change in services was required as part of the meeting invitation pursuant to 34 C.F.R. 303.342(d)(2), rather than the notice required by 34 CFR §303.403 to reflect the decisions made in the IFSP meetings. OSEP clarified the requirement, and the State indicated that it would ensure that all State and county staff understood this requirement.

### **OSEP Conclusions**

Based on the review of documents, analysis of data, and interviews with State personnel, OSEP finds that, with the revision of its due process hearing guidance materials to make clear that the required timeline for due process hearing decisions is 30 calendar days with no extensions permitted, the State has procedures and practices that are reasonably designed to implement the dispute resolution requirements of Part C of the IDEA.

### **Required Actions/Next Steps**

Within 60 days from the date of this letter, the State must provide documentation that it has provided written guidance to all counties regarding the written prior notice required in 34 CFR §303.403 as described above.

### ***Critical Element 4: Improving Educational Results***

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

### **Verification Visit Details and Analysis**

In interviews with OSEP during the verification visit, DHS staff described a comprehensive approach to improving early intervention results and functional outcomes for infants and toddlers with disabilities. The State described multiple procedures, practices, and activities.

DHS informed OSEP that counties and provider agencies are charged with child find efforts and utilize a wide and innovative list of activities to identify children. Regional Action Teams through Wisconsin Collaborating Partners also prioritize child find activities in collaboration with school districts, Head Start, Child Care, and medical partners. In addition, the SICC has a specific subcommittee exploring strategies to address and improve the identification of children, particularly under the age of one. DHS partners with GLITC to increase outreach to families who are Native American and strengthen relationships between the counties and local Tribal partners.

DHS provides extensive training to counties and provider agencies related to individualization and the use of the IFSP as a tool for defining outcomes for a particular child. This training outlines the individualization of services to children, the use of routine-based interviews and intervention strategies as related to functional outcomes on an IFSP, and other pertinent philosophical premises that lay the foundation for individualizing services to children in their daily routines and natural environments. In addition, DHS is utilizing ARRA funds to bring in two national experts to provide training specific to primary service provider and routines-based intervention. This project will involve a survey to identify the biggest needs, two days of training, and follow-up consultation for six months.

In 2008, DHS implemented intensive training around functional outcomes and reporting. In partnership with the Wisconsin Department of Public Instruction (DPI) and WDPD, and in consultation with the national Early Childhood Outcomes Center (ECO), DHS has formed the Early Child Outcomes workgroup. DHS has charged this group with regional training for counties on the seven-point rating scale for the three identified outcome areas. DHS has used training to introduce the concept of “ongoing assessment” and functional outcome development through everyday typical experiences within the context of the family. DHS has developed a statewide IFSP form that is built around the outcomes areas. County programs are having full IFSP team discussions and moving through a decision-tree process to improve consistent team decisions for child outcomes work. DHS is using the ECO family survey. DHS is using the new PPS data system as a tool to improve results and outcomes through data analysis.

### **OSEP Conclusions**

Based on the review of documents, analysis of data and interviews with State and local personnel, OSEP finds DHS has procedures and practices that are reasonably designed to improve early intervention 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 assurances (i.e., monitoring and enforcement, CSPD and interagency agreements, contracts or other arrangements)?*

**Verification Visit Details and Analysis**

As part of its monitoring and enforcement responsibilities under sections 616 and 642 of the IDEA, each State must annually report to the public on the performance of each EIS program against the State's SPP targets and must make an annual determination for each EIS program. DHS demonstrated that it meets this reporting requirement by publishing the performance of each county against the State's SPP targets on its website. In addition, the DHS website provides a link to the North Central Regional Resource Center's (NCRRC's) website, which displays the same information in a dashboard format.

DHS reported that the SICC has been very useful in designing procedures and criteria for making local determinations that are equitable and align with OSEP requirements. The State reported, and provided documentation, that in making determinations, it considers: (1) compliance on the SPP/APR Indicators 1, 2, 7, 8, 9, and 14; (2) correction of noncompliance; (3) the county's submission of timely and accurate data; and (4) any audit findings. DHS informed OSEP that 70 of the State's 72 counties received a determination of "meets requirements" for the FFY 2007 reporting period.

Under IDEA section 637(a)(2), (6) and (9), each State lead agency must include in its Part C application: (a) a certification that its methods to ensure service provision and financial responsibility for services are current; (b) a description of its policies and procedures regarding referral of children under the age of 3 who are: (1) involved in a substantiated case of child abuse or neglect or (2) identified as affected by illegal substance abuse, or withdrawal symptoms resulting from prenatal drug exposure; and (c) its policies and procedures for transition (including an interagency agreement if the lead agency is not the State educational agency (SEA)).

DHS has an interagency agreement with DPI. DHS is party to an additional interagency agreement that includes DPI, the Head Start Bureau, and the Wisconsin Sovereign Tribal Nations. These interagency agreements focus on: (1) development of State and local referral networks and transition procedures; (2) collaboration on services for young children with disabilities and their families through the development of policies, procedures, and funding priorities; (3) personnel development to promote, as appropriate, consolidated and/or consistent pre-service and in-service opportunities for staff; and (4) sharing of aggregated child and family data. DHS ensures it has the authority to monitor and enforce the implementation of all of its interagency agreements by providing specific wording in the agreements to include dispute resolution, severability, and assignment. With regard to early referrals for those children under the Child Abuse and Protection and Treatment Act (CAPTA) who may be in need of early intervention services and/or child find, DHS reported in its FFY 2007 APR that the Birth to Three Program continues its efforts at the State and local levels through public awareness, community linkages, and outreach to the medical community. The local EIS programs continue to work with Child Protective Services (CPS) to meet CAPTA requirements.

DHS contracts with WPDP and RESource as two collaborating partners. The WPDP has partnered with DHS for 21 years and is the lead partner for determining the technical assistance needs for the Birth to Three Program (e.g., data and APR indicators). RESource is responsible for contacting the counties to identify areas of interest for training and shares this information with DHS and the WPDP. Both collaborating partners provide training on data, assist with Wisline training, provide training regarding the SPP/APR indicators, and provide work support with the counties to assist the lead agency in its general supervision and monitoring activities. Further, DHS and DPI provided collaborative training as a statewide effort to the counties and districts, which is consistent with IDEA requirements on the new web-based database system on transition (Indicators C8 and B12). In addition to the State's training efforts, NCRRC provided cross-agency technical assistance on best practices and improvement strategies to implement wider systems change around transition to the Birth to Three Program. DHS and DPI created training materials that provided a common message around required procedures and best practices for smooth transitions for children. DHS reported that it will use ARRA funds to focus on particular areas of training requested statewide, including: (1) implementation of evidence-based practices such as primary service provider/coaching/mentoring approaches; (2) the use of routine-based interviewing; (3) infant mental health; and (4) improved social-emotional outcomes.

### **OSEP's Conclusions**

Based on the review of documents, analysis of data, and interviews with State personnel, OSEP finds the State has policies 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).

### **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**

Since the last verification visit in November 2006, DHS has replaced its statewide mainframe data system, the Human Services Reporting System (HSRS), with a new web-based system, the PPS. DHS previously used HSRS to collect Part C data, including those for SPP/APR Indicators 1, 7, and 8, until September 2008. DHS reported that all data that were entered into HSRS from July 1, 2008, through September 30, 2008, were transferred into PPS during the month of October 2008. The counties had to hold any data for October 2008 and enter the data into PPS when the web-based application of PPS went live in November 2008. DHS informed OSEP that the overall reason for replacing HSRS with PPS was to enhance the ability of the State and counties to perform program planning, verify data, monitor progress and slippage around the compliance indicators, and have a joint data effort with DPI related to transition.

The State uses PPS to collect data for SPP/APR Indicators 1 (including the reasons for delays in providing EIS services), 2, 5, 6, 7, and 8. The State informed OSEP that it ensures the accuracy

of the data that counties and DHS report under IDEA sections 616 (APR data) and 618 by: (1) using PPS, which allows for real time access to data; (2) cross-checking the data in PPS on an on-going basis and as part of on-site monitoring reviews with the data that counties report in their self-assessment and in randomly selected child and family records; (3) as further explained below, relying on extensive edit checks built into PPS; (4) controlling who may enter data into PPS at the county level; (5) providing intensive technical assistance related to the collection and reporting of data; (6) reviewing counties' data for anomalies and knowing well each counties' demographics and issues, which enables DHS to identify inaccurate and illogical data on which they follow up; and (7) when necessary, conducting other activities, such as a focused monitoring review.

DHS informed OSEP that PPS has many embedded edit checks that identify illogical data. DHS reported that, as part of its processes for ensuring accurate data, there are levels of edit checks to prevent the submission of inaccurate data, including: (1) DHS watching for data anomalies and calling a county to follow up on any apparent issues; (2) a system of "warning flags" that reject impossible data and identify the issue; (3) the State's scrutiny of illogical data; and (4) a collaborative effort with the RESource staff to follow up with counties to resolve any data issues.

Staff from Birth to Three and DHS's Bureau of Information Technology (BIT) collaborates to manage the PPS system. The Birth to Three staff identifies any problems or newly-identified needs and BIT staff develops and implements solutions. While counties may view only their own data, DHS's Birth to Three staff are "super-users" who have access to the data from all counties at any time and can identify and address any illogical data or other concern with a county. DHS reported that it has used American Recovery and Reinvestment Act (ARRA) Part C funds to hire a new project manager to work full time to assist with PPS and the DHS staff. DHS uses State/RESource staff, the Wisline Teleconference network, the PPS Manual, and other materials to guide and provide training to PPS users, including their LEA partners, at the State and local program levels. The PPS database and the PPS training manuals can be accessed on the DHS website.

DHS requires each county to assign a data security officer and ensure that the designated individual receives specified training. The county's security officer, in turn, designates which county personnel, including service coordinators, may enter data and assigns a security code to each individual that controls which data an individual user may enter and access. DHS holds each county's Birth to Three Program coordinator responsible for the accuracy of the county's data.

Each of the counties has access to PPS where it can enter its data and run reports. PPS produces standard reports for Indicators 1, 2, 5, 6, 7, and 8. To request additional reports, counties must ask DHS to generate individualized reports. DHS informed OSEP that with the implementation of a "data warehouse" in 2010, counties will be able to access individualized reports directly.

DHS used HSRS to collect the FFY 2007 data for APR compliance Indicators 1, 7, and 8. For the FFY 2008 APR, DHS used PPS to collect 618 and Indicators 1, 2, 5, 6, 7, and 8 data. The State's 618 data for dispute resolution are not captured through the new web-based data system. However, the State's 618 data are documented and collected through paper reports by one DHS staff person, who is the "lead" in documenting all dispute resolution processes. As part of the verification visit, OSEP specifically inquired into the State's guidance data collection methodology for SPP/APR Indicators 1, 7, 8A, 8B, and 8C. DHS presented information

demonstrating that the data it collected for Indicators 7 and 8 were consistent with the requirement measurements.

### **OSEP Conclusions**

Based on the review of documents, analysis of data, demonstration of the system capabilities and interviews with State personnel, OSEP concludes that the State has a data system that is reasonably designed to collect and report valid and reliable data and information to the Department and the public under IDEA sections 616, 618 and 642 in a timely manner. Without conducting a review of data collection and reporting policies at the local level, OSEP cannot determine whether the implementation of the State's data collection and reporting procedures reflects actual practice and performance.

### **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**

As further described above in the discussion of Data Systems Critical Element 1, the State reported that it ensures the collection and reporting of data that reflect actual practice by employing the following verification methods: (1) on-site monitoring; (2) desk audits; (3) self-assessments; (4) focused monitoring; (5) Wisline training on accountability, (6) use of on-line training materials and modules; and (7) technical assistance.

### **OSEP Conclusions**

Based on the review of documents, analysis of data and interviews with State and early intervention program personnel, OSEP has determined that the State has procedures that are reasonably designed to verify that the data collected and reported reflect actual practice and performance. Without conducting a review of data collection and reporting policies at the local level, OSEP cannot determine whether the implementation of the State's data collection and reporting procedures reflects actual practice and performance.

### **Required Action/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**

DHS reported that data from all components of the State's general supervision system, including its data system, APR process, monitoring, professional development, policy audit, technical assistance, training, and dispute resolution processes, are used to determine appropriate improvement activities. DHS reported that one reason for implementing a new database system was to enhance the ability of the State and counties to do program planning and to have a joint data effort with DPI related to transition to improve compliance.

The State uses its technical assistance partners to provide further training and support in the field to prevent anomalies from occurring. The State will provide Wisline conference calls when there are questions concerning anomalies. Wisconsin Birth to Three Program's data system provides opportunities to also improve its activities for the integration of data with accounting systems. DHS has also been working closely with the Early Hearing Detection and Intervention (EDHI) Program, Sound Beginnings, and PPS to integrate a referral system, the Wisconsin EDHI Tracking Referral and Coordination System (WE-TRAC), utilized by State audiologists to allow web-based referrals directly to County Birth to 3 Programs.

The State also reported to OSEP that it is looking to improve its data activity by moving towards an ability to integrate monthly all the data into a data warehouse. This would allow unlimited access to the data collected in the current system. DHS's Birth to Three Program defines data warehouse as dumping real time information into a specified area where the data is no longer considered real time or no longer "live" data information and can be accessed by the county without compromising the system.

### **OSEP Conclusions**

Based on the review of documents, analysis of data, and interviews with State personnel, OSEP finds that DHS compiles and integrates data across systems and uses the data to inform and focus its improvements 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?*

### **Verification Visit Details and Analysis**

Each lead agency must ensure that IDEA Part C funds are timely obligated and liquidated in accordance with the requirements in the Education Department General Administrative Regulations (EDGAR). The State informed OSEP that its accounting practices enable it to ensure that the State expends its Part C funds on a first-in, first-out basis and within the 30-month period within which the State must liquidate each FFY's Part C grant award. OSEP confirmed through the U.S. Department of Education's Grant Administration and Payment System (GAPS) that Wisconsin timely expended all of its Part C funds for FFY 2005, FFY 2006, and FFY 2007. DHS reported to OSEP that it has never had to request GAPS to be re-opened for late liquidation of funds beyond the 30-month period available for liquidation.

### **OSEP Conclusions**

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

### **Required Actions/Next Steps**

No action is required.

## ***Critical Element 2: Appropriate Distribution 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**

#### ***Ensuring that Part C Funds Are Not Commingled***

As the State reported to OSEP, DHS ensures that Federal Part C funds are separately accounted for and not commingled with State funds by ensuring that each grant award and each grant year are designated with their own unique project codes. DHS provided OSEP with copies of “budget sheets” that demonstrated how DHS uses these unique identifiers to ensure that Part C funds are not commingled with other funds.

#### ***Payor of Last Resort***

DHS reported that its contracts with counties require them to ensure that Part C Federal funds are the payor of last resort for Part C services. Thus, a county may not use Part C Federal funds to pay for Part C services if there are funds that could be used to pay for those services from the following sources: (1) State or local funds; (2) public insurance (Medicaid); (3) private insurance (with parent consent); or (4) the State’s “Parental Cost Share System” (its family cost share provisions). DHS monitors counties for compliance with the payor of last resort requirements through both the annual county self-assessment and cyclical on-site monitoring processes; the protocols for both of these processes include questions specific to Part C’s payor of last resort requirements.

#### ***System of Payments***

The State’s Parental Cost Share System includes specific guidelines regarding the services for which counties may charge parents (excluding, as required by 34 CFR §303.521(b), the services for which Part C prohibits parent fees) and the amount that parents may be asked to pay. These guidelines include family income and size and permit a maximum annual fee of \$1800 per family. DHS requires counties to provide families with a list of chargeable services and services that must be provided at no cost to families and the guidelines for determining the amount that a family may be charged.

#### ***Nonsupplanting (Maintenance of Effort) Requirements***

DHS reported to OSEP that, in determining whether the State is meeting the nonsupplanting requirements in IDEA section 637(b)(5)(B) and 34 CFR §303.124, DHS includes: (1) State funds allocated by the State Legislature to DHS for the purpose of implementing Part C; (2) funds from local sources; and (3) in-kind contributions from other State agencies for providing early intervention services to infants and toddlers with disabilities. To ensure joint State and county responsibility for implementing and financing Part C services, the State requires each county to maintain its financial effort from year-to-year, as evidenced in the financial reconciliation report that each county must submit to DHS annually.

#### ***Ensuring that Part C Funds Are Expended for Allowable Purposes***

As explained above, each county must submit an annual financial reconciliation report that the fiscal expert for the Birth to Three Program uses to compare expenditures with the county’s Part C budget and Part C requirement to ensure that Part C funds are used to pay only allowable

costs. In each county, the State has a process for annual single county audits, which examine Part C expenditures against fiscal requirements in Part C, EDGAR, and the Office of Management and Budget Cost Principles.

**OSEP Conclusions**

Based on the review of documents, analysis of data, feedback from stakeholders and interviews with State personnel, OSEP finds that the State has procedures that are reasonably designed to ensure appropriate use of IDEA funds at the State level, but has not reviewed source documentation regarding implementation of these procedures.

**Required Actions/Next Steps**

No action required.