

KCDDD FUNDING POLICY

Hearing Aid/FM System Funding Policy

October 28, 2003

Introduction

King County Developmental Disabilities Division (KCDDD) follows hearing aid/fm systems policies as outlined below. With documented justification, KCDDD will consider exceptions to these policies in order to meet the needs of the individual child within a specific situation. The underlying goal of these policies is to provide the maximum amount of technical assistance to as many children as possible with the funds available.

Part C reimbursement must follow payer of last resort requirements. All other funding options must have been examined and attempted prior to using Part C to pay for hearing aids or related services. The State of Washington Division of Developmental Disabilities (DDD), Medicaid, local school district funding and private insurance funding must be utilized prior to using Part C funds. We strongly encourage agency efforts to obtain other funding sources to fully or partially offset the costs. With the limited resources that Part C has any assistance to reduce or eliminate the Part C obligation with funds contributed by philanthropic organizations or associations will help our system meet our financial obligations.

Each child's file must contain documentation that accepted standards for best practice are being followed and that recommended interventions have documented efficacy. The child's Individual Family Service Plan (IFSP) must include documentation of interdisciplinary team participation and the plan must identify assistive technology needs.

Items 1 through 3 are policies that are currently in place. Items 4 through 15 are new policies regarding the reimbursement of hearing aid costs. Many thanks to the members of the King County audiological community who helped develop these policies through serving on a committee of the King County Interagency Coordinating Council and on the Deaf & Hard of Hearing Task Force.

If you have any questions regarding the policy outlined below, please contact Jan Wrathall at 206-296-2912 or via email at Jan.Wrathall@metrokc.gov.

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FM Systems

1. King County KCDDD will ensure the needs, as identified by the multidisciplinary team and identified on the IFSP, of an eligible child are met. KCDDD has an obligation to ensure that a child has access to an FM system if it is identified as necessary on the IFSP. Since there are various loaner programs, KCDDD will not purchase FM systems for children 0-3 years of age. In this document, FM system means a personal, broadcast/amplification device that transmits sound via a radio carrier wave.
2. KCDDD will maintain an adequate supply of loaners to ensure families can utilize an FM system until the child turns three, at which time it is expected the family will return the system in order that another family can benefit from the loaned FM. The loaner FM systems will be available through the loaner banks at Children's Hospital and the Hearing Speech and Deafness Center.
3. In order to access an FM loaner system, the request must come from the child's FRC to the loaner bank. The FRC will work with the loaner bank and other team members to acquire the correct FM system.

Hearing Aids

4. Hearing Aids will be reimbursed only for children without insurance or any other funding options. All reasonable efforts should be made to find other alternative funding sources within the community before Part C funds can be utilized. If DDD or school district funds are available, these resources should be utilized first and then the difference supplemented by Part C. When a hearing aid is covered by insurance, it is considered "paid in full". If a child has two hearing aids, one for each ear, and insurance has paid for one hearing aid, KCDDD will cover the second hearing aid according to the policies listed below.
5. Prior approval is necessary for hearing aid reimbursement. Approval shall be requested using an Extraordinary Expense Request Form, and must include the following:
 - documentation of the child's diagnostic evaluation information
 - documentation of expected results of the use of the hearing aid
 - justification as to the need of a particular model of hearing aid
 - a copy of the relevant portions of the IFSP

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- a payer of last resort form
 - expected cost of the hearing aid and other hearing aid related expenses
6. King County will reimburse providers on a cost plus basis, meaning the single unit published price for the hearing aid(s), plus a predetermined set cost of \$500 for other hearing aid related services and a predetermined set cost for earmolds of \$45 for each ear.
7. The single unit published price can be found on the manufacturer's price list, also called a cost list. These price lists are updated frequently. It is the responsibility of the agency billing KCDDD to contact the hearing aid manufacturer and obtain the price list. The single unit published price is not the suggested retail price. The single unit published price covers one hearing aid for one ear. If the child is receiving two hearing aids, (one for each ear) the agency may bill KCDDD, as a payer of last resort, for the single unit published price multiplied by 2.
8. In addition to the single unit published price, a predetermined, flat fee of \$500, or actual costs if less, per child may be billed to KCDDD to cover the following other services:
- hearing aid evaluations and fittings
 - follow-up appointments to ensure that the aid is functioning and fitted properly
 - the maintenance and service agreement for one year

State law currently requires that these other services be included as a part of the purchase of a hearing aid. If insurance has paid for the first hearing aid, and KCDDD is reimbursing for the second hearing aid, the service provider may bill KCDDD a reduced flat fee of \$250, or actual costs if less, for other services for the other ear.

9. When billing KCDDD for hearing aids and related costs, the service provider must include these documents:
- An invoice from the service provider that lists the client's name, an itemized list of hearing aids, earmolds and other services, and the total amount being invoiced to KCDDD. "Other services" will all be covered by the \$500 set cost unless the actual cost is less. This amount may be billed to KCDDD only once for each child and hearing aid(s). See Attachment A.
 - KCDDD will not require an itemized listing of the other services (hearing aid evaluation, fittings, follow-up appointments and the maintenance and service agreement for one year) and their respective costs. However, if the total cost for these other services is less than

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\$500.00, the agency should use that lower total cost when billing KCDDD.

- A copy of the cost sheet from the hearing aid manufacturer which lists the single unit published price with the specific hearing aid model circled. See Attachment B
10. Each child's file must contain documentation showing that the child received all products and services reimbursed by KCDDD.
 11. KCDDD will only reimburse a service provider for Behind the Ear (BTE) hearing aids, a bone conduction hearing aid, or a body worn hearing aid that is appropriate for children from birth to three years of age.
 12. Earmolds will be reimbursed at the rate of \$45.00 per earmold. Because children grow at different rates, KCDDD will not place specific limitations on earmold reimbursements, but no more than three pair over a twelve month period will be pre-approved.
 13. Batteries are not to be considered an extraordinary expense and will not be reimbursed as a separate consideration under the Extraordinary Expense category. Early intervention providers can purchase batteries using their routine Part C allocation.
 14. Prior to reimbursement, the child must have used the hearing aid for a trial period of no less than 30 days; the trial must demonstrate the appropriateness, adequacy and feasibility of using the hearing aid.
 15. Part C funds may not be used to purchase replacement hearing aids or ear molds in the event a child loses them.
 16. King County reserves the right to request a peer review in the event a hearing aid request is outside the "standard" costs for a comparable hearing aid.