



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES

Honorable Judy Jeffrey
Interim Director of Education
Iowa Department of Education
Grimes State Office Building
East 14th & Grand Streets
Des Moines, IA 50319-0146

JAN 10 2005

Dear Director Jeffrey:

The purpose of this letter is to respond Iowa's March 31, 2004 submission of its Federal Fiscal Year (FFY) 2002 Annual Performance Report (APR) for the Individuals with Disabilities Education Act (IDEA) Part C funds used during the grant period July 1, 2002 through June 30, 2003. The APR reflects actual accomplishments made by the State during the reporting period, compared to established objectives. The APR for IDEA is designed to provide uniform reporting from States and result in high-quality information across States.

The APR is a significant data source utilized in the Continuous Improvement and Focused Monitoring System (CIFMS) implemented by the Office of Special Education Programs (OSEP), within the U.S. Department of Education. The APR falls within the third component of OSEP's four-part accountability strategy (i.e., supporting States in assessing their performance and compliance, and in planning, implementing, and evaluating improvement strategies) and consolidates the self-assessing and improvement planning functions of the CIFMS into one document. OSEP's Memorandum regarding the submission of Part C APRs directed States to address five cluster areas: General Supervision; Comprehensive Public Awareness and Child Find System; Family Centered Services; Early Intervention Services in Natural Environments; and Early Childhood Transition.

Background

Iowa's Early Intervention Program, Early Access (EA), was monitored by OSEP in October 2001. OSEP's June 5, 2002 Monitoring Report identified the following areas of noncompliance that the Iowa Department of Education (IDE) had to address in an Improvement Plan (IP): (1) failure to identify and evaluate all children who may have been eligible for early intervention (EI) services and failure to coordinate Child Find efforts; (2) failure of service coordinators to perform all required duties; (3) individualized family service plans (IFSPs) did not include all early intervention services needed by the family and child, or other services needed by the child; (4) transportation was not addressed in the IFSP or provided; (5) failure to include a statement of justification on the IFSP for services not provided in a natural environment; (6) family supports and services were not identified or included on the IFSP; (7) failure to establish a single line of

responsibility in the IDE; (8) the State Interagency Coordinating Council (SICC) did not perform all required duties; (9) all resources in the State were not coordinated or identified; (10) failure to collect data on the State-wide early intervention system; and (11) monitoring was not occurring or was ineffective in identifying and correcting noncompliance. As noted below in further detail, the State provided data and information in IP progress reports and the FFY 2002 APR that indicate that nine of the 11 findings of noncompliance have been addressed. Two areas remain outstanding (which are findings five and 11 above). Data from the FFY 2002 APR indicates two new potential areas of noncompliance in the area of transition. The State must report in the next APR (due March 31, 2005) on the three findings that remain outstanding from OSEP's 2002 monitoring report and provide updated data on the two new potential noncompliance transition areas (notice to the LEA and timely transition conferences).

OSEP accepted IDE's Improvement Plan on July 22, 2003, with the requirement that all areas of noncompliance identified in OSEP's June 2002 Monitoring Report be corrected within a reasonable period of time that could not exceed July 22, 2004. To document progress in correcting identified noncompliance, IDE submitted Progress Reports on November 15, 2003 and March 15, 2004, the FFY 2001 Annual Performance Report in July 2003, and a final progress report in July 2004. OSEP responded to the FFY 2001 Annual Performance Report in an April 1, 2004 letter to IDE.

The State's APR should reflect the collection, analysis, and reporting of relevant data, and document data-based determinations regarding performance and compliance in each of the cluster areas. OSEP's comments regarding the State's FFY 2002 APR, the March 2004 IP Progress Report and July 2004 final progress report are listed by cluster area.

General Supervision

The June 2002 OSEP Monitoring Report identified five areas of noncompliance in this cluster area: (1) the State failed to establish a single line of responsibility in the Lead Agency as required by 34 CFR §303.500; (2) the SICC did not perform all required duties as required by 34 CFR §§303.600(a), 303.650(a)(1-3), 303.651 (a) and (c); (3) all resources in the State were not identified or coordinated as required by 34 CFR §303.522(a)(1); (4) failure of the State to collect data on the State-wide early intervention system as required by 34 CFR 303.540(a); and (5) monitoring was not occurring or was ineffective in identifying and correcting noncompliance as required by 34 CFR §303.501. The data and information provided by the State in its IP progress report and FFY 2002 APR indicate that the State has addressed the first four of these five findings in this cluster area.

1. Single Line of Responsibility

The December 2002 IP, the November 2003 and March 2004 Progress Reports, and the July 2004 Final Progress Report confirmed that a single line of authority has been established for the EA system. Governor Thomas Vilsak reaffirmed the Iowa Department of Education (IDE) as the Lead Agency for the Part C system in Iowa. IDE also strengthened its single line of authority for EA by adopting the Administrative Rules that

became effective January 15, 2003. The Governor's appointment of authority provided greater clarity to collaborating agencies and enabled partners to address their roles and responsibilities.

The December 2002 IP, the November 2003 and March 2004 Progress Reports, pages 2 through 4 of the General Supervision section of the FFY 2002 APR, and the July 2004 final Progress Report all confirmed that the Lead Agency completed in June 2002 a memorandum of agreement among the signatory agencies (Public Health and Human Services and Child Health Specialty Clinics), the SICC, State staff, regional grantees, and regional community representatives of the signatory agencies that clarified the roles, relationships and the responsibilities within the EA system. Also, the bylaws of the SICC were revised to include reorganization of Executive Committee and clarification of their responsibilities. The Executive Committee was expanded to include signatory agencies and was designated as the decision-making group for the EA system. The State also reported, on pages 22-28 of its FFY 2002 APR and pages 5 and 6 of the March 2004 Progress Report, that the restructuring of the Part C infrastructure facilitated the identification and coordination of resources. The Lead Agency appointed a State staff team, with representation from each signatory agency, to inform signatory agency administrators of current needs, topics of discussion, and information needed for decisions. The SICC formed an executive committee with designated members of the signatory agencies, a council chair, vice chair, a parent representative and EA State staff who attended meetings as ex-officio members. Formation of the Executive Committee enhanced communication among the four agencies involved and helped promote more services at all levels of EA, especially identification of infants and toddlers with disabilities. Maternal and Child Health agencies (Title V Contractors), as local signatory agencies, were required within Public Health contracts, to work more closely with EA regionally. The State reported in its July 2004 final Progress Report that this new arrangement greatly enhanced communication, coordinated efforts among the four agencies, and provided a venue for consumer, provider and policy perspectives. This change also helped promote more services and coordination at all levels of the EA system, especially for child identification. The State completed the activities in its IP to address this area of noncompliance. OSEP appreciates the work of the State in revising its policies and procedures to establish a single line of responsibility in the Lead Agency.

2. SICC Responsibilities

The State confirmed in its July 2004 final Progress Report that the SICC completed training on its role to advise and assist the Lead Agency. The training was developed with and provided by the Mountain Plains Regional Resource Center. The SICC implemented annual activities to enhance its role, responsibility and relationship in assisting and advising the Lead Agency. These activities included: analyzing data of EA priority indicators; identifying the State's Part C annual focused monitoring priority; identifying SICC priorities and addressing issues through revitalized committee work; preparing and distributing an annual report to OSEP and the Governor; learning about the strengths and issues of the EA service system by inviting parents to share their EA experiences; routinely addressing pertinent policy issues; and providing orientation and professional development to new and current members. An interagency finance workgroup was also

created by the SICC. The subcommittee studied Federal and State financial resources, identified resources that had highest financial priority (evaluation, determining eligibility, developing IFSPs, and service coordination) and made recommendations to the Lead Agency. The SICC's Executive Committee advises and assists the Lead Agency monthly by routinely identifying resources, opportunities for collaboration, and needs for system change. The State completed the activities it identified in its IP to address this area of noncompliance and has confirmed that the SICC is performing its responsibilities including its advisory role to the Lead Agency.

3. Coordination of All Resources

The July 2004 final Progress Report addressed the coordination and identification of all resources in the State. Financial commitments of the four signatory agencies were outlined in the Memorandum of Agreement. The Lead Agency further demonstrated that the newly-implemented Medicaid Infant-Toddler Program provided reimbursement for 14 EI services including service coordination. The number of non-education-funded Medicaid Infant-Toddler Program providers increased bringing an additional 13 service coordinators and 18 additional EI providers into the system. The Iowa Department of Public Health (IDPH) revised its contracts with local Title V grantees to increase its role and involvement in the EA system. Trainers from the signatory agencies conducted a State-wide video-conferenced training for service coordinators regarding local and State financial resources available for families. State consultants identified resources within each signatory agency that contributed to the various components. A team of EA partners including family representatives completed major revisions to the *Iowa Programs Providing and Financing Children's Care and Services*, a directory of resources, supports and services used by families and service coordinators. The State completed the activities it identified in its Improvement Plan to address the coordination of all resources and the State reports it continues to work to identify and coordinate available resources in the State.

4. Data Collection for EI System

The State reported in the December 2002 IP and both the November 2003 and March 2004 Progress Reports that the Lead Agency has developed formal or informal agreements for sharing data containing personally-identifiable information among the signatory agencies. On pages 15 through 17 of the APR and page two of the March 2004 IP Progress Report, the State reported that it had been awarded a General Supervision Enhancement Grant (GSEG) to develop a comprehensive data management system for EA. During this reporting year, the State systematized a cycle of data reporting and analysis designed to ensure data-based monitoring and continuous improvement for the State and regions. State staff provided regional grantees with State and regional data. Data were aggregated according to each of the OSEP priority indicators. Regional Continuous Improvement Plans were a required element of the annual regional application for Part C funds and were monitored and analyzed by State staff. Fifteen regions used these data as a part of their self-assessments, prompting data-based decisions regarding maintenance and improvement strategies. These plans are also used to shape the State-wide, annual technical assistance plan.

The State in its July 2004 final Progress Report further explained that the Lead Agency collected and utilized data on the EA system from signatory and partnering agencies. The State also reported that: Lead Agency consultants communicated data needs to both the SICC Executive Committee and field personnel. Advisory groups made recommendations regarding needed data elements to maintain consistent interagency data collection and analysis. Based on the recommendations, procedures for collecting and analyzing data were developed, signatory and partnering agencies were trained, and new procedures were implemented. IDPH annually provided to the Lead Agency population and demographic data that allowed the Lead Agency to track regional progress in early identification and anticipate future service needs. Data elements regarding early identification and referrals to the EA system were added to IDPH's Title V Maternal and Child Health's data system. Data sharing procedures were established between the Early Hearing Detection and Intervention (EHDI) program and the Lead Agency as required by the memorandum of agreement. This resulted in 15,000 hearing assessments from birthing hospitals and audiologists being reported to the Lead Agency since January 1, 2003. Data provided by COMPASS¹ are reported quarterly to the Lead Agency and enable State and regional planners to assess the effectiveness of public awareness and child find efforts. Data were also used in monitoring on-site reviews focused on early identification. Procedures for sharing data included provisions for reporting and tracking CAPTA (Child Abuse Protection and Treatment Act) referral information. Medicaid data were also shared through the interagency agreement that the Lead Agency used to determine Medicaid costs, benefits, and opportunities for maximizing the use of financial resources. The State completed its activities in the Improvement Plan to ensure use of data collection to inform the EA System.

5. Monitoring for Identification and Correction of Noncompliance

The State in its July 2004 final Progress Report provided an update of the status of the GSEG being used to enhance Iowa's interagency electronic EA data system (EADS). The State reported that: an interagency advisory committee identified regional monitoring data profiles with State priority indicators and related data and reports were distributed annually for two years. Reports included data that informed State and local partners of the status and trends of priority indicators, and the data were used to develop the APR, Governor's Report, regional improvement plans, annual focused monitoring priorities, technical assistance plans and other reporting requirements.

The December 2002 IP, the November 2003 and March 2004 Progress Reports, and the July 2004 final Progress Report confirmed the following activities were completed and implemented to address these areas of noncompliance: (1) IDE developed formal or informal agreements for sharing personally-identifiable information among the signatory agencies; (2) IDE implemented an interagency monitoring and continuous improvement system; (3) IDE identified enduring concepts with the help of key stakeholders to provide a framework for organizing accountability and monitoring of EA, including: service coordination, early identification, results for children and families, family-centered service

¹ COMPASS is Iowa's single point of contact for early intervention referrals.

delivery, early intervention services in natural environments, early childhood transition, and collaborative and supportive infrastructure; and (4) IDE developed State-wide, data-based technical assistance plans.

Appendices B, C, and D of the July 2004 final Progress Report described monitoring activities conducted by the Lead Agency in 2003-2004. IFSP records in three of the 12 regional grantees were reviewed, focusing on family-centered supports and services; service coordination; evaluations leading to appropriate services; justifications on IFSPs when services are not provided in a natural environment; and transition procedures. The Lead Agency issued monitoring reports and letters indicating results of the review and necessary corrective actions. Grantees were required to submit revised improvement plans to address corrective actions and report data demonstrating compliance in the identified areas in their year-end reports. Lead Agency staff analyzed data, monitored and tracked progress. Status letters were issued informing grantees of progress in correcting noncompliance. Focused monitoring was piloted in June 2004. Priorities were determined by the SICC after reviewing data on State priority indicators. Early Identification was selected as a focused monitoring priority for 2003-2004. Performance data were ranked and the lowest performing regional grantees were selected for an on-site investigation. Appendix D of the final Progress Report included the final report issued from a focused monitoring visit to Region 14 in June 2004. Preliminary findings were shared on-site and the final report, that included strengths, areas for improvement, and citations, was issued within eight days after the visit was concluded. During the pilot visit, additional data were compiled and analyzed to determine the contributing factors to low performance in Region 14 in the area of early identification. Group interviews were conducted with families, signatory and partnering agency administrators, EA service providers and coordinators, referral sources, and regional grantee leadership. Follow-up activities included technical assistance provided by State consultants, on-site verification of corrective actions, and the development of improvement strategies. Once the regional grantee provided compliance documentation and the Lead Agency verified it, a letter of notification was provided to confirm compliance.

OSEP appreciates the work of the State in revising its monitoring procedures to identify all Part C requirements. However, OSEP cannot yet determine whether the State's monitoring system is effective in correcting noncompliance. In the next APR, due March 31, 2005, the State must provide: (1) a summary of all monitoring conducted since the FFY 2002 APR through March 31, 2005; (2) a summary of all Part C noncompliance findings made by the State since the FFY 2002 APR through March 31, 2005 and listed by entity; (3) an analysis of the monitoring report findings including any State-wide actions taken and whether systemic issues were identified; (4) a summary of all the State's follow-up enforcement and correction activities, including a list of any corrective action plans that were submitted to and approved by the Lead Agency; and (5) the correction data submitted by providers when the State has determined that the provider has corrected the identified noncompliance.

Comprehensive Public Awareness and Child Find System

The June 2002 OSEP Monitoring Report identified one area of noncompliance in this cluster area with two parts: (1) the Lead Agency did not ensure that all children who might have been eligible for services were identified, located and evaluated as required by 34 CFR §303.321(b) and (c); and (2) child find activities were not coordinated with other major efforts to locate and identify children as required by 34 CFR §303.321(c)(1). As noted in detail below, the State provided information indicating that it has addressed the findings and continues to work on child find efforts in the State.

The April 1, 2004 OSEP letter requested that the Lead Agency provide: (1) a summary of, and data regarding, the results of activities designed to improve its Part C child find efforts; and (2) monitoring and other data (possibly including an analysis of the breakdown of referrals by primary referral sources or types of disabilities) and its analysis.

On page 20 of the FFY 2002 APR, trend data for the last five years indicated consistent increases in the percentage of infants and toddlers receiving EA services, from 0.89% in 1998 to 1.7% in 2002. The national percentage of infants and toddlers with disabilities birth to three served through Part C on December 1, 2002 was 2.24%. On page 23 of its July 2004 final Progress Report, the Lead Agency reported an additional increase in the percentage of children ages birth to three receiving EA services to 1.88% in 2003. EA also reported that it increased the number of infants under 12 months of age with disabilities identified and served under Part C to .85% served as compared to .12% in 1998.

On pages 21 of the APR, the State provided further analysis of trend data from each regional grantee reporting consistent increases for the number of infants and toddlers with disabilities receiving services. The 15 EA regional grantees submitted annual applications that outlined their public awareness and child find activities. The State noted that regional grantees identified in their applications successful practices that provided Lead Agency staff the opportunity to share innovative ideas with other regions. To support increasing numbers of infants and toddlers referred and identified for EA services, Lead Agency staff created a number of public awareness materials including developmental wheels and brochures in English and Spanish. An intensive distribution of these materials, also published in a variety of formats including Braille, large-print, and audio occurred every year since 1999. The Lead Agency reported in the July 2004 final Progress Report that a new EA brochure was developed in 2004 to replace the 1999 brochure, incorporating SICC recommendations. The new family-friendly, easy to read and mail design was available in English and the Lead Agency intended to translate it into other languages and methods of communication.

COMPASS maintains a toll-free number, web-site, and data on the number of referrals to EA. The Lead Agency provided updated data in the final Progress Report indicating that the total number of referrals more than doubled from 75 in 1998 to 162 in 2003. Between October 2003 and June 2004, 77% of persons who contacted EA learned of the 800 number via EA awareness materials (wheels and brochures).

State and regional staff activities to increase the number of eligible children continued to focus on data collection, analysis, and management. Legislation was passed that required all 89 birthing hospitals in Iowa to screen newborns for hearing loss and report the results to the EHDI program located in IDPH. Any other facility conducting a hearing screening, rescreening, or diagnostic assessment on a child less than three years old must also report results to IDPH. The legislation contained a provision allowing the Department of Health to share referral information with EA. Since January 1, 2004, an estimated 15,000 hearing assessments were reported. Procedures for follow-up activities were in place when parents refuse and/or miss screenings or appointments. EHDI and EA developed procedures to improve early access to hearing services. The procedures were distributed to all EA regional grantees and were incorporated in their procedural manuals. The directive increased child find efforts related to hearing loss and provided guidance for serving children and families. Under the GSEG, work began to study the collection and analysis of evaluation data.

On pages 15-23 of the July 2004 final Progress Report, the Lead Agency reported implementation of the strategies and activities identified to correct the noncompliance within this cluster, including: Failure to identify and evaluate all children who may be eligible for EI and coordinate child find efforts. The Lead Agency completed the strategies identified in its IP to address the noncompliance in this cluster area.

Family Centered Services

The June 2002 OSEP Monitoring Report identified the following findings of noncompliance in this cluster area: the family assessment did not identify the needs of the family related to enhancing the development of the child as required by 34 CFR §303.322(d)); and the IFSP did not include the supports and services necessary to enhance the family's capacity to meet the developmental needs of their child as required by 34 CFR §303.344(b)-(d)). As noted in detail below, the State provided information indicating that it has addressed these findings.

To correct noncompliance in this cluster area, the Lead Agency proposed, in its December 2002 IP, the following improvement activities: signatory agencies would agree to a family-centered service coordination system that addressed services coordinated across agencies; ensuring there would be only one service coordinator to assist the family in obtaining all services identified in the IFSP, and who would coordinate all early intervention services, resources, and other services needed by the child and family; and ensuring that the early intervention services needed by the child and family were included in the IFSP. The plan for service coordinators included: selection process, identification of job responsibilities, method for assigning to the family, development of a competency-based training program, and development of a regional interagency service coordinator pool.

OSEP's April 2004 letter requested that the Lead Agency, in order to document correction of noncompliance in this cluster, provide the following data: (1) results of the Lead Agency's review of IFSPs to ensure that family supports and services were identified and, when necessary, included in the IFSP; and (2) service coordinator, family interview,

monitoring or other data that demonstrate family supports and services were identified and included in the child's IFSP. The State provided the following information.

On pages 8 and 9 of its March 2004 IP Progress Report, the Lead Agency proposed the following strategy to address noncompliance in this cluster area: develop and implement an agreed-upon IFSP process that is family-centered and offers options to interagency partners. On pages 30 through 31 of the Family Centered Services section of the FFY 2002 APR, the Lead Agency reported an increase in the number of eligible children and families receiving EA services and supports. The State reported that children and families receiving family training, counseling and home visits increased from 80 in 2000 to 188 in 2002. The Lead Agency reported that service coordinators helped identify other EA services beyond the required services for EA, including medical, respite and family support services; the number of children and families utilizing these services increased from 66 in 2000 to 148 in 2002. Infrastructure components were addressed in the adoption of Administrative Rules that created more authority for EA staff, defined EA and other services, and clarified the documentation of services on the IFSP.

On pages 36-38 of the final Progress Report, the Lead Agency reported on steps it took to address deficiencies regarding the role of service coordinators in identifying and providing family supports and services. It reported that infrastructure components of the Iowa's Part C system were strengthened to create more clarity and authority for service coordination. Activities included aligning with IDEA Part C requirements Iowa Administrative Rules addressing assignment and responsibilities of service coordinators. The Lead Agency required local Maternal Child Health (MCH)/Title V grantees to stipulate in their contract with the State that they would work more closely with EA regionally. Training for all regional grantees was provided on: service coordinator roles and responsibilities; the need to discuss at the IFSP meeting all services, including support services, the child and family may need; and the requirement that there be only one service coordinator per family. The Lead Agency provided regional training. The Lead Agency also developed a revised IFSP form meeting all Part C requirements and addressed the family resources priorities and concerns section of the IFSP, specified in OSEP's Monitoring Report.

Other activities for the 2003-2004 reporting period included IFSP/service coordination training that addressed: (1) the identification of child and family needs, priorities, and strengths; (2) the identification of families' informal and formal supports and services; and (3) the process for writing effective outcomes. Lead Agency staff facilitated the training in six locations across the State and all 15 regional grantees provided additional training to service coordinators and providers. *Iowa Programs: Providing and Financing Children's Care and Services*, a family resource guide, was updated to provide families with information to increase their capacity to locate and access resources and service across agencies for both child and family needs. A committee composed of a majority of parents developed the guide and it was distributed to families receiving EA services and all service coordinators and is available on IDE's website.

Page 37 of the final Progress Report summarized data obtained from parent interviews conducted in Spring 2004 monitoring visits. Lead Agency consultants interviewed parents to obtain data regarding individualized services and family supports and services.

Three regional grantees that received on-site IFSP reviews were selected to pilot the questionnaire. A rating of "yes" indicated parent responses to statements provided evidence of service coordinators performing specific duties. The State reported 24.5 parents responded affirmatively, 2 reported neutrally or didn't know, and .5 reported "no." Further analysis of the neutral and "no" responses did not indicate a systemic concern, but a need for ongoing technical assistance. Regional surveys also provided insight into parent perspectives related to individualized decision-making and family supports and services. Parent surveys were analyzed for parent opinions of family services and supports. In three of the regional grantees, a high percentage of parents (88-100%) agreed with statements related to family supports and service and individualized decision-making. A need to improve efforts to inform families of parent-to-parent support opportunities was discovered after further analysis. On page 38, Table 14 provided data regarding an increase in families receiving various support services.

On pages 36-38 of the July 2004 final Progress Report, the State reported implementation of the strategies and activities identified to correct the noncompliance in this cluster. The State completed the strategies it identified in its improvement plan to address these areas of noncompliance.

Early Intervention Services in Natural Environments

The June 2002 OSEP Monitoring Report identified four areas of noncompliance in this cluster area, discussed below: (1) Service coordination; (2) Identification of all needed EI services on the IFSP; (3) Provision of Transportation; and (4) Provision of EIS in Natural Environments. As noted below, the service coordination, IFSP services, and transportation findings have been addressed and the other one finding above (four) remains outstanding.

1. Service Coordination

OSEP's Monitoring Report included a finding that the State failed to perform all service coordination duties as required by 34 CFR §303.23. In the December 2002 IP, the Lead Agency proposed improvement activities and both the November 2003 and March 2004 Progress Reports confirmed that the Lead Agency implemented and completed the following activities to ensure all required service coordination duties were performed: developed a family-centered service coordination system; incorporated agree-upon elements into contracts, policies, procedures, training; and developed a competency-based training program for service coordinators. On page 37 of the APR, the Lead Agency reported that because the infrastructure components of the EA system were strengthened, more clarity and authority for service coordination was created. Also, to address lack of coordination of medical or community services needed, MCH/Title V grantees, as local signatory agencies, were required within their contract with the IDPH to work more closely with EA regionally. On page 24 of the final Progress Report, the Lead Agency reported on the development of a State-wide, family-centered service coordination system. The June 2002 interagency Memorandum of Agreement (MOA) outlines the signatory agencies commitment to providing staff for initial and/or ongoing EA service coordination. Policies regarding the provision of service coordination were adopted by all

12 regional grantees during FY 2004, assuring State-wide consistency and alignment with Iowa's 2002 Part C approved application. The following criteria were used to develop the Administrative Rules for EA: selection and assignment of service coordinators, including EA roles and responsibilities, procedures for management of referrals, and lines of communication to assure appropriate follow-up and accountability. Each signatory agency and its sub-contracting agencies identified a cadre of service coordinators and dedicated training and resources to carry out service coordination responsibilities. EA system outcomes, indicators, competencies and quality standards for service coordination were identified, agreed upon by stakeholders and the SICC Executive Committee, that formed the foundation of the service coordinator training program. Training included the service coordinator's role assisting families to obtain IFSP services, resources, or other services needed by the child or family as documented on the IFSP.

During monitoring activities conducted May-June 2004, the Lead Agency reviewed IFSPs and service coordinator logs to verify that all duties were completed. Table 10 on page 27 of the final Progress Report provided data regarding the performance of service coordinator duties based on record reviews from the three regional grantees monitored. Although each grantee had at least one record without all of the required information documented, the data did not indicate a systemic problem with service coordination duties. The Lead Agency indicated it planned to provide additional technical assistance addressing documentation to yield better data to determine compliance. On pages 24-29 of the July 2004 final Progress Report, the State reported implementation of the strategies and activities identified to correct this area of noncompliance. OSEP appreciates the State's efforts to ensure service coordination performs all roles and responsibilities.

2. Identification of EI Services on IFSP

OSEP's June 2002 Monitoring Report included a finding that IFSPs did not include all EI services needed by the family and child, or other services needed by the child as required by 34 CFR §303.344(d) and (e). The November 2003 and March 2004 Progress Reports noted that the Lead Agency developed and implemented an IFSP process that was family-centered and offered options to interagency partners. On page 37 of the APR, the State reported that to address IFSP deficiencies, Lead Agency staff provided training to all regional grantees. A revised IFSP form that met all IDEA requirements and addressed noncompliance issues was piloted. In addition, a work team was convened to begin revising the piloted IFSP to develop one model format to be adopted by all regional grantees. In the APR, the State reported that a number of early intervention services was provided to 1,937 eligible children as reflected in its December 1, 2002 child count and that all services necessary to meet the identified needs of children and families were available and were documented by the IFSP data collection system.

On pages 30-32 of the July 2004 final Progress Report, the State reported implementation of the strategies and activities it identified as needed to correct this area of noncompliance. Data were provided regarding the State-wide IFSP and its implementation. OSEP appreciates the State's efforts to ensure all EI services needed by the family and child, or other services needed by the child were included on all IFSPs.

3. Identification and Provision of Transportation

OSEP's June 2002 Monitoring Report included a finding that required transportation was not addressed or was not provided, as required by 34 CFR §303.12(d)(15). IP Progress Reports confirmed that the following activities were completed and implemented: (1) baseline data were gathered regarding transportation services; (2) guidance was disseminated on transportation services; (3) local transportation resources were identified by region and plans were developed for improving access and financial arrangements for transportation services; (4) monitoring issues were identified and monitoring procedures included measures to address noncompliance; and (5) training targeted at meeting the transportation needs of children and families was provided.

On pages 32-34 of the final Progress Report, the State reported the following information. Transportation training was conducted for all regional grantees in Fall 2003. After guidance documents and training were provided, regional grantees developed transportation plans addressing how they planned to improve providing and documenting transportation services. Each plan identified community partners who contributed to the transportation plan from the State and local level. Service coordinators were trained on talking to families about their transportation needs and documenting any concerns in their contact logs and listing transportation services on the IFSP. All regional transportation plans reflected Part C as the payor of last resort for transportation services and that other resources for payment included State programs, Medicaid, and informal resources. The State reported on page 42 of the FFY 2002 APR a low percentage of children/families needed transportation services since a high percentage of the services were being provided in the home or other natural environment.

Corrective actions were required of all regional grantees in their 2003-2004 continuous improvement plans to address transportation citations. Seven families were interviewed in reference to transportation services on their IFSPs. All seven agreed that transportation services were offered, started in a timely and helpful manner. Parents reported satisfaction with services. Table 13 on page 34 of the final Progress Report provided data illustrating the increase in transportation services provided for out-of-home services from 8% in 2002 to 13% in 2003. The State has completed the strategies it identified in its improvement plan to address this area of noncompliance.

4. Provision of EI Services in Natural Environments

Also included in the June 2002 Monitoring Report was a finding that the Lead Agency failed to include a statement of justification on the IFSP for EI services not provided in a natural environment as required by 34 CFR §§303.12(b), 303.18, and 303.344(d)(2). On page 35 of the July 2004 final Progress Report, the State reported that Lead Agency consultants visited three regional grantees and conducted IFSP reviews in Spring 2004. Consistently, two grantees had statements of the natural environment on IFSPs and justifications when needed. The other grantee was cited for not consistently including natural environments or justification on IFSPs, when needed, and was required to submit a revision of its 2004-2005 continuous improvement plan that included citations and corrective actions for approval.

On page 42 of the APR, the State reported that trend performance data indicated that the majority of EA services were provided in the home. On page 44 of the APR, the State reported that it serves children in settings such as the home and programs for typically developing children at a rate above the national average, increasing from 87% in 1999, to 92% in 2001, and 93.9% in 2002. As reported by OSEP in the June 2000 Monitoring Report, flexible working hours and other system supports continue to enhance the ability of service providers to work in homes and community settings.

The State must provide in the next APR, updated correction data on the one grantee identified in the FFY 2002 APR as noncompliant with the requirement that IFSPs list EI services in natural environments or include appropriate child-based justifications.

5. Early Childhood Outcome Data

The Part C FFY 2001 and 2002 APRs requested data on the percentage of children participating in the Part C program who demonstrate improved and sustained functional abilities (in the developmental areas listed in 34 CFR §303.322(c)(3)(ii)). The State did not provide OSEP with any data in response to this performance indicator. On page 47 of the Early Intervention Services in Natural Environments section of the FFY 2002 APR, the Lead Agency reported that data are now included on the IFSP form to track progress of child outcomes. In the FFY 2003 APR, the State must provide its plan to collect and report such data (whether collected through sampling, monitoring, or other methods) by the FFY 2004 APR (expected deadline March 31, 2005), targets for improved performance and strategies to achieve those targets for this area, on how children participating in the Part C program demonstrate improved and sustained functional abilities in the five developmental areas.

Early Childhood Transition

Noncompliance was not identified in OSEP's June 2002 Monitoring Report for this cluster area. The Lead Agency provided data about the status of children's transition from Part C to Part B, or to other appropriate services. The Lead Agency reported that an interagency monitoring and data system was being developed that would capture specific data needed to determine the effectiveness and timeliness of transition planning and track the outcomes of transition planning (services the children received beginning at age three). OSEP assumes that any data system that tracks children from Part C to Part B will be consistent with the IDEA and the Family Educational Rights and Privacy Act (FERPA). OSEP has enclosed, for your information, a copy of its February 11, 2004 Letter to Elder which describes the circumstances under which the limited disclosure of personally identifiable information from a child's education records may be made in order to meet IDEA's child find mandate. On pages 39-42 of the July 2004 final Progress Report, the State discussed its progress regarding early childhood transition. All Area Education Agencies (AEAs), regional grantees and local school districts had early childhood transition policies and procedures for implementation of Iowa's Administrative Rules, in effect since February 2000. The adoption of Administrative Rules for Part C, effective January 2003, provided common definitions and expectations to enhance Iowa's capacity

to provide and monitor transition planning for children exiting early intervention services to Part B and/or other community services. The GSEG included the expansion of the current data system to interagency capabilities and provided transition and tracking data for children aged 3-5 transitioning from Part C to B.

Trend data provided on page 40 of the final Progress Report indicated that over the last five years high percentages (97-99.8%) of children exiting Part C had their eligibility for Part B determined by the time they turned three (the actual percentages determined eligible under Part B varied from 73.3% in 1998-1999 to 93.6% in 1999-2000). In Spring 2003, regional stakeholders reviewed data regarding children who exited Part C, were not eligible for Part B, and exited without referrals to services to determine the cause for the increase in children reported in these areas. Data coding selection, data entry and transferring from hand tally to electronic counts were identified areas of concern. Regional grantees included improvement strategies in their 2003-2004 continuous improvement plans and State consultants used the plan data to shape the State-wide Technical Assistance Plan which included training, guidance documents, consultation sessions and follow-up activities. The State provided data from the 2003 Part C 618 Exit Data Table 3 that indicated 5 of 12 regional grantees accounted for the 11 infants/toddlers who exited from Part C with "Part B eligibility not determined."

Monitoring data from the reviews conducted at three regional grantees in Spring 2004 revealed two of the three grantees did not document timely notification of the LEA of children who would shortly reach the age of eligibility for preschool services under Part B. One of the three did not appropriately address child and family needs through transition steps and activities. Two of three grantees did not hold a joint meeting of required participants at least 90 days before the child's third birthday. Two of the three grantees received citations regarding transition procedures, and corrective actions will be integrated into their 2004-2005 continuous improvement plans. Data were also provided from reviews conducted by Lead Agency staff regarding documentation of service coordination. Three regional grantees other than the three selected for on-site IFSP reviews were selected to have five files reviewed. Two could not demonstrate that service coordinators facilitated transition plans, due to incomplete documentation in service coordinator logs. Follow-up interviews indicated transition was appropriately planned, but not documented. Although parents reported (91-100%) that they had information on, and explored program options resulting in well-informed transition decisions, technical assistance continued to be provided to increase family involvement in transition planning activities.

In the next APR, the State must provide updated data (through March 31, 2005) on (1) notification to the LEA under 34 CFR §303.148(b)(2)(i), and (2) the 90-day conference under 34 CFR §303.148(b)(2)(ii). If the data indicate noncompliance, the State must also include its plan, including targets, timelines and activities to address the noncompliance within a reasonable period not to exceed one year from OSEP's acceptance of the plan.

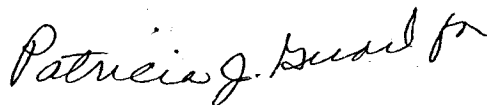
Conclusion

In the next APR, due March 31, 2005, the Lead Agency must provide:

1. General Supervision: Correction of noncompliance -- a summary of all monitoring conducted since the FFY 2002 APR through March 31, 2005, a summary of all Part C noncompliance findings made by the State since the FFY 2002 APR through March 31, 2005 and listed by entity, an analysis of the monitoring report findings, a summary of all the State's follow-up enforcement and correction activities, including a list of any corrective action plans that were submitted to and approved by the Lead Agency and the data submitted by providers when the State has determined that the provider has corrected the identified noncompliance.
2. EIS-NE: Natural Environments -- the State must provide in the next APR, updated correction data on the one grantee identified in the FFY 2002 APR as in noncompliance with the requirement that IFSPs list EI services in natural environments or include appropriate child-based justifications.
3. EIS-NE: Early Childhood Outcome -- a plan to report data (by the FFY 2004 APR) (whether collected through sampling, monitoring; or other methods) or actual data on the percentage of children participating in the Part C program who demonstrate improved and sustained functional abilities in the five developmental Part C areas.
4. Transition: updated data on (1) notification to LEA under 34 CFR §303.148(b)(2)(i), and (2) 90-day conference under 34 CFR §303.148(b)(2)(ii). If the data indicate noncompliance, the State must also include its plan, including targets, timelines and activities to address the noncompliance within a reasonable period not to exceed one year from OSEP's acceptance of the plan.

OSEP recognizes that the APR and its related activities represent only a portion of the work in your State and we look forward to collaborating with you as you continue to improve results for infants and toddlers with disabilities and their families. If you have questions, please contact Kimberly Mitchell at (202) 245-7453.

Sincerely,



Stephanie Smith Lee
Director
Office of Special Education Programs

cc: Lana Michelson
Julie Curry