

**SUBJECT: Family Cost Participation Fees**

**DATE: November 30, 2005**

Governor Matt Blunt signed Senate Bill 500 into law on June 24, 2005, creating two new requirements for First Steps that will directly impact families participating in First Steps: (1) family cost participation, and (2) mandated private health insurance coverage for certain First Steps services. This document will provide families with information on family cost participation.

**Family Cost Participation...What is it and how does it affect me?** The short answer is that some families who participate in First Steps will be required to make a monthly payment to the First Steps system beginning in calendar year 2006. Since the state is currently building the structure that will allow its contractor, Covansys (known as the Central Finance Office or CFO) to bill families on a monthly basis, the exact date in which your first bill from the First Steps system will arrive is not known at this time, but should occur no later than March 1, 2006. Monthly payments may be made by check, money order or credit card. Your monthly invoice will explain how the payments will be made.

**What is the purpose of this payment since First Steps previously provided services to my family free of charge?** The Missouri legislature determined that the First Steps system could not sustain itself with only state and federal funding and made the decision that all families not specifically exempted by SB 500 must contribute a nominal monthly amount in order to participate in the program. This monthly fee is not tied to a particular service or amount of services. A single monthly fee will be calculated for "family participation" in First Steps regardless of the number of children actually receiving services. The fee amount will vary between \$5 per month and \$100 per month based on a family's adjusted income and the number of family members in the household.

**Who will be required to pay this monthly fee to participate in First Steps?** SB 500 established criteria to determine who will pay.

- Families eligible and enrolled in Medicaid **will not** be required to pay this monthly fee.
- A family must have an annual adjusted gross income at or above 200% of the federally established poverty level before their obligation to pay a monthly fee is triggered.

Currently, this means a family of two (parent and child) must have an adjusted gross income of \$25,660 per year before it must pay a monthly fee to participate in First Steps. The fee schedule states that if a family of two has an annual adjusted gross income between \$25,660 and \$30,470, the family must pay \$5.00 per month to participate in First Steps. A family of two with an adjusted gross income less than \$25,660 will not be required to pay this monthly fee. Families must provide documentation to the SPOE showing enrollment in Medicaid in order to receive the Medicaid monthly fee exclusion.

**How will the annual adjusted gross income be calculated? What financial document will I be required to present to the SPOE Service Coordinator?** A family's annual adjusted gross income is the "adjusted gross income" calculation on the most recent (prior year) federal income tax form(s) (typically Form 1040, 1040A, 1040EZ or an efile tax form).

**Are there any other considerations that affect how much my monthly fee will be?** Yes, there is another consideration that could affect how much you must pay. If a family encounters “financial hardship”, your monthly fee may be affected. Financial hardship in First Steps is defined as:

- Loss of home
- Loss of job (one or more income earners)
- Extensive medical costs incurred/documented in the current year and determined to be applicable by the SPOE

If one of these three events occurs, you should contact the SPOE to reevaluate the existing monthly fee amount. The SPOE has four options when “financial hardship” is claimed by the family:

- The monthly fee could be reduced to the lowest allowable monthly fee amount (\$5).
- The monthly fee could be recalculated to the appropriate fee amount based on a reduced adjusted gross income due to loss of one wage earner. (Income change by more than 10%)
- The monthly fee could be eliminated altogether.
- No change/action will be taken.

If a monthly fee adjustment is determined by the SPOE to be appropriate, based on documentation provided by the family, the adjusted fee will be implemented in the next monthly billing cycle.

**What happens if I provide false or misleading information, or do not wish to provide any financial documentation to the SPOE to determine the monthly fee amount?** You may provide financial information to the SPOE or DMH service coordinator during one of several possible data/information collection sessions (during the intake process for families initially coming into First Steps, inter-periodic reviews, annual IFSP review or when your family’s annual adjusted gross income changes by more than 10%). State regulation provides that if a family does not provide documentation necessary to calculate the monthly participation fee or provides false or misleading information, the monthly fee amount may be increased to the highest monthly level allowed by law (\$100 per month).

**What happens if I do not pay this calculated monthly fee each month?** If a family is over 30 days delinquent in the payment of the calculated monthly fee, the amount in arrears will be indicated on the monthly statement at 30 and 60 days. On the 75<sup>th</sup> day of non-payment/payment in arrears, the financially responsible person/head of household will be notified by mail that early intervention services will end as of the 90th day of non-payment/payment in arrears. No further services will be provided (except for those services required to be provided at no cost such as service coordination and evaluation) to the family/child until all delinquent payments are current. Service providers will be notified by email from the CFO when service authorizations are cancelled due to family non-payment/payment in arrears of monthly family participation fees.

**If you have questions concerning family cost participation, you should contact your service coordinator or SPOE.**

**This is the monthly fee schedule:**

**Family Size = 2**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$25,659 or under	\$0.00	\$0.00
\$25,660 to \$30,470	\$5.00	\$60.00
\$30,471 to \$35,282	\$6.66	\$79.92
\$35,283 to \$40,093	\$13.32	\$159.84
\$40,094 to \$44,904	\$19.98	\$239.76
\$44,905 to \$49,715	\$26.64	\$319.68
\$49,716 to \$54,527	\$33.30	\$399.60
\$54,528 to \$59,338	\$39.96	\$479.52
\$59,339 to \$64,149	\$46.62	\$559.44
\$64,150 to \$68,960	\$53.28	\$639.36
\$68,961 to \$73,772	\$59.94	\$719.28
\$73,773 to \$78,583	\$66.60	\$799.20
\$78,584 to \$83,394	\$73.26	\$879.12
\$83,395 to \$88,205	\$79.92	\$959.04
\$88,206 to \$93,017	\$86.58	\$1,038.96
\$93,018 to \$97,828	\$93.24	\$1,118.88
\$97,829 to \$102,639	\$99.90	\$1,198.80
\$102,640 or over	\$100.00	\$1,200.00

**Family Size = 3**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$32,179 or under	\$0.00	\$0.00
\$32,180 to \$38,213	\$5.00	\$60.00
\$38,214 to \$44,247	\$6.66	\$79.92
\$44,248 to \$50,280	\$13.32	\$159.84
\$50,281 to \$56,314	\$19.98	\$239.76
\$56,315 to \$62,348	\$26.64	\$319.68
\$62,349 to \$68,382	\$33.30	\$399.60
\$68,383 to \$74,415	\$39.96	\$479.52
\$74,416 to \$80,449	\$46.62	\$559.44
\$80,450 to \$86,483	\$53.28	\$639.36
\$86,484 to \$92,517	\$59.94	\$719.28
\$92,518 to \$98,550	\$66.60	\$799.20
\$98,551 to \$104,584	\$73.26	\$879.12
\$104,585 to \$110,618	\$79.92	\$959.04
\$110,619 to \$116,652	\$86.58	\$1,038.96
\$116,653 to \$122,685	\$93.24	\$1,118.88
\$122,686 to \$128,719	\$99.90	\$1,198.80
\$128,720 or over	\$100.00	\$1,200.00

**Family Size = 4**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$38,699 or under	\$0.00	\$0.00
\$38,700 to \$45,956	\$5.00	\$60.00
\$45,957 to \$53,212	\$6.66	\$79.92
\$53,213 to \$60,469	\$13.32	\$159.84
\$60,470 to \$67,725	\$19.98	\$239.76
\$67,726 to \$74,982	\$26.64	\$319.68
\$74,983 to \$82,238	\$33.30	\$399.60
\$82,239 to \$89,495	\$39.96	\$479.52
\$89,496 to \$96,752	\$46.62	\$559.44
\$96,753 to \$104,008	\$53.28	\$639.36
\$104,009 to \$111,265	\$59.94	\$719.28
\$111,266 to \$118,521	\$66.60	\$799.20
\$118,522 to \$125,778	\$73.26	\$879.12
\$125,779 to \$133,034	\$79.92	\$959.04
\$133,035 to \$140,291	\$86.58	\$1,038.96
\$140,292 to \$147,547	\$93.24	\$1,118.88
\$147,548 to \$154,804	\$99.90	\$1,198.80
\$154,805 or over	\$100.00	\$1,200.00

**Family Size = 5**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$45,219 or under	\$0.00	\$0.00
\$45,220 to \$53,698	\$5.00	\$60.00
\$53,699 to \$62,176	\$6.66	\$79.92
\$62,177 to \$70,655	\$13.32	\$159.84
\$70,656 to \$79,134	\$19.98	\$239.76
\$79,135 to \$87,612	\$26.64	\$319.68
\$87,613 to \$96,091	\$33.30	\$399.60
\$96,092 to \$104,570	\$39.96	\$479.52
\$104,571 to \$113,049	\$46.62	\$559.44
\$113,050 to \$121,527	\$53.28	\$639.36
\$121,528 to \$130,006	\$59.94	\$719.28
\$130,007 to \$138,485	\$66.60	\$799.20
\$138,486 to \$146,963	\$73.26	\$879.12
\$146,964 to \$155,442	\$79.92	\$959.04
\$155,443 to \$163,921	\$86.58	\$1,038.96
\$163,922 to \$172,399	\$93.24	\$1,118.88
\$172,400 to \$180,878	\$99.90	\$1,198.80
\$180,879 or over	\$100.00	\$1,200.00

**Family Size = 6**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$51,739 or under	\$0.00	\$0.00
\$51,740 to \$61,440	\$5.00	\$60.00
\$61,441 to \$71,141	\$6.66	\$79.92
\$71,142 to \$80,843	\$13.32	\$159.84
\$80,844 to \$90,544	\$19.98	\$239.76
\$90,545 to \$100,245	\$26.64	\$319.68
\$100,246 to \$109,946	\$33.30	\$399.60
\$109,947 to \$119,647	\$39.96	\$479.52
\$119,648 to \$129,349	\$46.62	\$559.44
\$129,350 to \$139,050	\$53.28	\$639.36
\$139,051 to \$148,751	\$59.94	\$719.28
\$148,752 to \$158,452	\$66.60	\$799.20
\$158,453 to \$168,153	\$73.26	\$879.12
\$168,154 to \$177,854	\$79.92	\$959.04
\$177,855 to \$187,556	\$86.58	\$1,038.96
\$187,557 to \$197,257	\$93.24	\$1,118.88
\$197,258 to \$206,958	\$99.90	\$1,198.80
\$206,959 or over	\$100.00	\$1,200.00

**Family Size = 7+**

If annual adjusted gross income is:	Maximum Monthly Cost Share	Maximum Annual Cost Share
\$58,259 or under	\$0.00	\$0
\$58,260 to \$69,183	\$5.00	\$60
\$69,184 to \$80,106	\$6.66	\$80
\$80,107 to \$91,030	\$13.32	\$160
\$91,031 to \$101,954	\$19.98	\$240
\$101,955 to \$112,877	\$26.64	\$320
\$112,878 to \$123,801	\$33.30	\$400
\$123,802 to \$134,724	\$39.96	\$480
\$134,725 to \$145,648	\$46.62	\$559
\$145,649 to \$156,572	\$53.28	\$639
\$156,573 to \$167,495	\$59.94	\$719
\$167,496 to \$178,419	\$66.60	\$799
\$178,420 to \$189,343	\$73.26	\$879
\$189,344 to \$200,266	\$79.92	\$959
\$200,267 to \$211,190	\$86.58	\$1,039
\$211,191 to \$222,113	\$93.24	\$1,119
\$222,114 to \$233,037	\$99.90	\$1,199
\$233,038 or over	\$100.00	\$1,200