

Recommendation	Status
<p>1. The General Assembly should appropriate all BabyNet funding directly to First Steps to increase accountability for the lead agency with regard to partner agencies and providers.</p>	<p><b><i>REQUIRES LEGISLATIVE ACTION</i></b></p> <p>Consolidation of funds, consistent with this recommendation, was requested by First Steps in FY12 and FY13 legislative sessions. BabyNet funds formerly allocated to DHEC and SC School for the Deaf and the Blind were transferred during FY12, via proviso 89.122, and codified within the FY13 General Appropriations Act.</p> <p>Proviso 89.125 of the FY13 General Appropriations Act charged First Steps with developing a template to provide uniform fiscal reporting across all BabyNet agencies in lieu of a consolidated appropriation. Common fiscal reporting across all state agency BabyNet partners is now underway, with the requirement extended into FY16 via Proviso 117.99.</p> <p>First Steps published BabyNet's first interagency fiscal statement in January 2014 and its second in January 2015. These summaries are the first comprehensive, inter-agency financial statements in the program's history, and will serve as the basis for both the state's federal maintenance of effort and the inter-agency budget request established in §44-7-2570(C).</p>
<p>2. First Steps should comply with §44-7-2570 (C) of the South Carolina Code of Laws.</p> <p><b>South Carolina Code of Laws, Article 21, SECTION 44-7-2570.</b> Fees for services; insurance.</p> <p>(A) Families must not be charged for early intervention services provided pursuant to this article.</p> <p>(B) Nothing in this section relieves public or private insurance programs, or other persons or agencies required by law to provide or pay for early intervention services, from their financial or legal responsibilities.</p> <p><b><i>(C) Pursuant to Subchapter VIII, Chapter 33, Title 20, U. S. Code Annotated, all financial resources from federal, state, local, and private sources must be coordinated to fund early intervention services. A joint funding plan must be submitted by the department to the Joint Legislative Committee on Children on or before August first of each year. The individual components of the plan as they relate to</i></b></p>	<p><b><i>ONGOING</i></b></p> <p>SC First Steps meets regularly with BabyNet partner agencies for the purpose of reviewing agency expenditure reports, discussing system needs, and discussing the interagency budget request required under §44-7-2570(C). A BabyNet Think Tank has been seated to give input on both the December 31 BabyNet report to the General Assembly required pursuant to Proviso 1.96 and an inter-agency budget request planned for January 2016. This budget request will be provided to both legislative staff and the Joint Legislative and Citizen's Committee on Children.</p> <p>Per #1 above, the requirement for common, interagency fiscal reporting has been extended into FY16 via Proviso 117.99</p>

<p><i>individual agencies must be incorporated annually into each affected agency's budget request.</i></p>	
<p>3. If the General Assembly does not enact recommendation 1 to appropriate all BabyNet funds through First Steps, it should make specific line-item appropriations to state agencies for the BabyNet program.</p>	<p><b>REQUIRES LEGISLATIVE ACTION</b></p> <p>Provisos requiring uniform fiscal reporting by all agency BabyNet partners (since FY14) will inform budget needs for FY17.</p> <p>First Steps' FY16 budget separates "BabyNet" appropriations into a distinct budget section, which now includes the funding previously allocated directly to the SC School for the Deaf and the Blind and DHEC. The budget of the Department of Disabilities and Special Needs, likewise, contains a distinct "BabyNet" line item.</p> <p>As part of the interagency budget request for FY17, SC First Steps will be requesting that line items be established for the South Carolina Departments of Health and Human Services, and Mental Health.</p>
<p>4. First Steps should develop and annually implement a formal methodology to calculate the extent of its compliance with federal regulation 34 CFR 303.124.</p>	<p><b>ONGOING</b></p> <p>The interagency expenditure reporting established in FY13 and extended into FY16 via proviso 117.99 has codified this process via uniform fiscal submissions from each agency. A common reporting template is in use by the Lead Agency and all BabyNet Participating State Agencies, and a final report for FY15 will be submitted to legislative staff in January 2016 and will be posted to the First Steps website.</p>
<p>5. First Steps should prepare and publish each year a financial statement for the complete BabyNet system, including all expenditures and all sources of revenue.</p>	<p><b>ONGOING</b></p> <p>Proviso 117.99 (FY15) requires uniform fiscal submissions from each partner agency. The BabyNet FY14 interagency financial statement will be published by SC First Steps in January 2016.</p>
<p>6. First Steps should contract with independent accountants to audit its annual financial statements for the BabyNet program. The annual audits should follow generally accepted government auditing standards, including the provision of reasonable assurance that the statements are accurate, that internal controls to prevent fraud and abuse are adequate, and that BabyNet funds</p>	<p>By agreement with agency partners, the FY16 interagency expenditure report will be independently audited if sufficient resources are available to underwrite such a review.</p>

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have not been spent on non-BabyNet activities.	
7. When drafting contracts between First Steps and BabyNet service providers, First Steps should have them reviewed by procurement and legal staff.	<p><b>ONGOING</b></p> <p>All contracts are reviewed annually by First Steps procurement staff and external legal counsel.</p>
8. First Steps should review contracts between other state agencies and BabyNet service providers before they are finalized.	<p><b>ONGOING</b></p> <p>All BabyNet state agency partners have been asked for their subcontracts, per LAC recommendation and September 2011 federal regulation. As Lead Agency for BabyNet, South Carolina First Steps continues to work with the BabyNet participating state agencies to ensure fulfillment of this recommendation.</p>
9. First Steps should require all invoices submitted by BabyNet service providers to contain the signature of the parent/guardian of the child receiving the services.	<p><b>COMPLETED</b></p> <p>This recommendation was implemented in November 2011. All provider invoices now require additional documentation, including parent or guardian signature at the time of service. Service verification is monitored through periodic audit of provider records.</p>
10. First Steps should establish a policy of using Medicaid rates for similar services reimbursed with BabyNet early intervention funds.	<p><b>COMPLETED</b></p> <p>This recommendation was implemented in September 2011. For like services, the established BabyNet rate does not exceed the Medicaid fee for service rate as established by the SC Department of Health and Human Services.</p>
11. The General Assembly should amend state law to authorize First Steps to charge a sliding fee, based on family income and size, to families with children in the BabyNet program.	<p><b>REQUIRES LEGISLATIVE ACTION</b></p> <p>Section 44-7-2570 currently prohibits charging families for Part C services. First Steps staff have met with the previous system administrator and Lead Agency staff of other states, who caution sliding fee administration may be costly, potentially offsetting the fiscal benefit of implementing such a system. However, administration of a family cost participation fee is less costly. South Carolina First Steps will continue to monitor the number of children eligible for Medicaid to determine if any potential revenues from use of such a model is cost efficient and make recommendations to the General Assembly accordingly.</p>

<p>12. First Steps should continue the use of federally-funded technical assistance regarding its General Supervision function and increase the use of assistance in other priority areas where improvement is needed.</p>	<p><b>ONGOING</b></p> <p>Beginning in September 2009, the BabyNet and First Steps staff, Interagency Coordinating Council and legislative staff have been in ongoing contact with technical assistants provided via the U.S. Department of Education, whose assistance has been key to the restructuring of the BabyNet General Supervision system cited to First Steps as a longstanding area of need.</p> <p>As a result of this external facilitation and lead agency study, First Steps issued initial findings of non-compliance in October 2011, and state-to-local determinations of performance in June 2012.</p> <p>Additional areas of technical assistance have included re-design of the intake and eligibility process, redesign of the service delivery model, use of implementation science for sustainable change, incorporation of child outcomes in the Individualized Family Service Plan process, development of policies and procedures compliant with current federal regulations, and implementation of fiscal monitoring requirements of recipients and sub-recipients of federal Part C funds. Monthly TA visits are underway to assist the state in addressing the new federal requirements for a State Systemic Improvement Plan as part of OSEP's Results-Driven Accountability process.</p>
<p>13. First Steps staff should continue to collect child results data and, when appropriate, use it to make program improvement decisions.</p>	<p><b>ONGOING</b></p> <p>This recommendation matches an existing federal requirement; implementation was initiated in August 2006. South Carolina continues to rank at or above national averages for child outcomes.</p>
<p>14. First Steps should develop and implement a comprehensive plan to regularly monitor BabyNet service provider performance.</p>	<p><b>ONGOING</b></p> <p>A provider audit process has been developed and piloted, in association with Kerr and Company. The process is being refined in collaboration with First Steps staff for use system-wide.</p> <p>South Carolina BabyNet "findings of non-compliance" were first issued to service coordination vendors in October 2011 for FFY 2010 and to Service Coordination vendors beginning with FFY 2013.</p>

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<p>15. First Steps should not renew a BabyNet service provider's contract without first measuring the provider's performance over the course of the current contract.</p>	<p><b>ONGOING</b></p> <p>Modifications to the BabyTrac system in 2011 allowed BabyNet to track service delivery compliance by vendor. Initial notice of non-compliance to BabyNet Service Providers (based on a full year of performance) will begin with FFY 2013 data, and findings issued annually thereafter.</p>
<p>16. First Steps should review the BabyNet provider performance monitoring processes of other state agencies in South Carolina to ensure consistency with any comprehensive provider performance monitoring plan developed by First Steps.</p>	<p><b>ONGOING</b></p> <p>Sample file review data was pulled and evaluated from state agency partners in November 2011. Additional performance monitoring processes were developed with technical assistance from US Department of Education, National Data Accountability Center, National Early Childhood Technical assistance Center, and MidSouth Regional Resource Center now includes mechanisms for monitoring of specific federal requirements. The new data system will enable additional review through real-time access to BabyNet electronic educational records, service coordinator and service provider logs, invoicing and payment status, and compliance and results performance indicators.</p>
<p>17. First Steps should research low-cost methods of creating printed materials as well as radio and TV public service advertisements to increase public awareness about BabyNet.</p>	<p><b>COMPLETED</b></p> <p>Enhanced child find materials were developed in July 2011, disseminated through state and local partners, service vendors. In addition, First Steps implemented a new local partnership strategy which adds capacity for child screening and public information. The strategy was implemented by 7 First Steps county partnerships in July 2012 and renewed in July 2013. Public service announcements were developed and finalized in August 2012. These 15- and 30-second public service announcements were developed by Family Connection and released in September 2012:  <a href="http://www.youtube.com/watch?v=9c14dZ1HsAA">http://www.youtube.com/watch?v=9c14dZ1HsAA</a>  <a href="http://www.youtube.com/watch?v=NFgpErIzXd4">http://www.youtube.com/watch?v=NFgpErIzXd4</a></p>
<p>18. First Steps should contact state pediatric, neo-natal, and other associations to investigate offering training to doctors, nurses, and others regarding the referral of children to BabyNet.</p>	<p><b>ONGOING</b></p> <p>-Roadmap to Developmental Screening materials were developed in English and Spanish (in collaboration with South Carolina's ACT Early Team) and distributed to all pediatricians and family practitioners across South Carolina in April 2012;          -New public awareness, Child Find, and personnel development materials were</p>

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	<p>developed and distributed in fall 2012 (English and Spanish);</p> <ul style="list-style-type: none"> <li>-Local outreach and information sharing has been enhanced via First Steps Early Intervention and Screening strategy (implemented in 7 counties during FY13, renewed in FY14);</li> <li>- New BabyNet orientation video was developed and made available to families and partners beginning November 2012;</li> <li>-BabyNet staff have made system and policy presentations to USC Pediatric Residents (February 2013) and Early Childhood Comprehensive Systems (March 2013) groups.</li> </ul>
19. First Steps should update the BabyNet website to increase its readability and usefulness.	<p><b>ONGOING</b></p> <p>The BabyNet website has been updated monthly since August 2011. In addition, the 211 system has been connected to website to ease referral and parental self-identification of community level resources, in collaboration with Family Connections.</p>
20. First Steps should track and publically report the age in months at which children are referred to the BabyNet program.	<p><b>ONGOING</b></p> <p>This data is now available through the BRIDGES data and electronic record system.</p>
21. First Steps should track and publically report the age in months of first BabyNet service.	<p><b>ONGOING</b></p> <p>This data is now available through the BRIDGES data and electronic record system.</p>
22. First Steps should continue to conduct outreach, training, and technical assistance to increase the number of service providers available in South Carolina.	<p><b>ONGOING</b></p> <p>Geographic provider shortages have been identified by system partners. Root cause analysis and proposed solutions are in process with agency and technical assistance partners. Access to provider reports has been developed as part of the contract with SCBCB/DSIT, in order to determine areas where children are waiting for service, and catchment areas of where provider shortages exist.</p>
23. First Steps should develop or obtain a data system that allows for the monitoring of BabyNet children's transition conferences and plans.	<p><b>ONGOING</b></p> <p>Pre-release testing of the BRIDGES data and electronic educational record system was completed in summer 2013; training for 1650 system staff began October 2013, and the BRIDGES system was launched in March 2014. Phase</p>

	two of training was completed in June 2014. BabyNet Service Providers will begin billing of BabyNet Service Funds through BRIDGES in September 2014.
24. First Steps should develop or obtain a data system that allows for the creation and dissemination of electronic versions of children's Individualized Family Service Plans.	<b>ONGOING</b>  The BRIDGES data and electronic educational record system includes the Individualized Family Service Plan.