DMS REPORT

DIFFERENTIATED MONITORING AND SUPPORT

OFFICE OF SPECIAL EDUCATION PROGRAMS

U.S. DEPARTMENT OF EDUCATION

STATE	**INDIANA**
DATE	JULY 28, 2025
IDEA	PART C
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UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES
OFFICE OF SPECIAL EDUCATION PROGRAMS

DIRECTOR

July 28, 2026

By Email

Honorable Mitch Roob
Secretary
Indiana Family and Social Services Administration
402 West Washington Street
Indianapolis, Indiana 46204

Email: mitch.roob@fssa.IN.gov

Dear Secretary Roob:

The purpose of this monitoring report is to provide a summary of the results of the Differentiated Monitoring and Support (DMS) activities conducted by the U.S. Department of Education's (the Department's) Office of Special Education Programs (OSEP). As part of the DMS process, States are monitored on their general supervision systems which encompass States' responsibilities to ensure that States and their subgrantees and contractors meet the requirements of the Individuals with Disabilities Education Act (IDEA). Those requirements include: 1) Improving educational results and functional outcomes for all infants, toddlers, children, and youth with disabilities; and 2) Ensuring that public agencies meet the program requirements under Parts B and C of IDEA, with a particular emphasis on those requirements that are most closely related to improving educational results for infants, toddlers, children, and youth with disabilities. During the DMS process,[1] OSEP examined the State's policies and procedures and State-level implementation of these policies and procedures regarding the following monitoring priorities and components of general supervision:

- Monitoring and Improvement
- Data including the State Performance Plan/Annual Performance Report (SPP/APR)
- Fiscal Management: Single Line of Responsibility
- Dispute Resolution

This DMS monitoring report summarizes OSEP's review of IDEA Part C requirements regarding these monitoring priorities and components. OSEP conducted virtual interviews with representatives from the State's lead agency, the Indiana Family and Social Services Administration (FSSA), including staff from the FSSA Division of Disability and Rehabilitation Services, the FSSA Bureau of Child Development Services, the FFSA Audit Team, as well as the Public Consulting Group and the Early Childhood Center (ECC) at Indiana University, in August 2024. In addition to staff interviews, OSEP reviewed publicly available information,

[1] For additional information on DMS, see Resources for Grantees - DMS.

policies, procedures, and other related documents that the State submitted to OSEP. Finally, OSEP solicited feedback from various groups of interested parties and local level staff to gather a broad range of perspectives on the State's system of general supervision.

Based on OSEP's review of available documents, information, and interviews conducted, OSEP has identified 11 findings of noncompliance with IDEA requirements described in further detail in the monitoring report, including any required actions.

OSEP has not identified any noncompliance with the data and fiscal management components, therefore these sections are not included in the narrative below. However, OSEP is making recommendations around fiscal management, as a result, this section is included in the narrative below, but not in the summary chart. OSEP's review of monitoring priorities and components of general supervision did not include an examination of the implementation of the IDEA Part C requirements by all early intervention service (EIS) programs or providers within your State, and OSEP cannot determine whether the State's systems are fully effective in implementing these requirements without reviewing data at the local level.

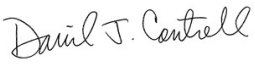
Summary of Monitoring Priorities and Outcomes

MONITORING COMPONENT	FINDINGS SUMMARY
1. Monitoring and Improvement	1.1 OSEP finds that the State does not have a general supervision system that is reasonably designed to identify noncompliance with all IDEA Part C requirements in a timely manner, as required by 34 C.F.R. §§ 303.120, and 303.700 through 303.708. 1.2 OSEP finds that the State's notification of noncompliance (i.e., a finding) does not ensure proper notice to EIS programs of identified noncompliance or include all of the required content to promote the timely correction of noncompliance, as required by 34 C.F.R. §§ 303.120 and 303.700(e). 1.3 OSEP finds that the State does not make annual determinations about the performance of each EIS program in the State, in accordance with 34 C.F.R. §§ 303.700(a)(2) and 303.703(b). 1.4 OSEP finds that the State does not ensure that the SEA and appropriate LEA receive notification of any infants or toddlers with disabilities who are identified as potentially eligible for preschool services under IDEA Part B consistent with 34 C.F.R. § 303.209(b). 1.5 OSEP finds that the State's Individualized Family Service Plan (IFSP) forms, and other State documentation contain provisions that are inconsistent with 34 C.F.R. §§ 303.20(c), 303.342(e), and 303.344(f)(1).
2. Dispute Resolution	2.1 OSEP finds that the State code the Indiana Administrative Code (IAC) at *470 IAC § 3.1* and written procedures for the timely administrative resolution of complaints through mediation, State complaints, and due process hearing procedures do not cite to the

MONITORING COMPONENT	FINDINGS SUMMARY
	relevant IDEA regulations and contain provisions that are inconsistent with 34 C.F.R. §§ 303.431through 303.438. 2.2 OSEP finds that the State's procedural safeguards notice is not cited to the relevant IDEA regulations on confidentiality of personally identifiable information and early intervention records in 34 C.F.R. §§ 303.401 through 303.417, parental consent and notice in 34 C.F.R. §§ 303.420 and 303.421, surrogate parents in 34 C.F.R. § 303.422, and the dispute resolution procedures in 34 C.F.R. § 303.430. 2.3 OSEP finds that the State does not have State complaint procedures to ensure the timely resolution of State complaints and the effective implementation of the State's final decision, as required by 34 C.F.R. §§ 303.433 and 303.700(e). 2.4 OSEP finds that the State is not ensuring that the prior written notice provided to parents a reasonable time before the lead agency or EIS provider proposes, or refuses, to initiate or change the identification, evaluation, or placement of their infant or toddler, or the provision of early intervention services to the infant or toddler with a disability and that infant's or toddler's family, meets the requirements in 34 C.F.R. § 303.421. 2.5 OSEP finds that the State does not have procedures to meet the mediation requirements in 34 C.F.R. §§ 303.430(b) and 303.431(b)(2). 2.6 OSEP finds that the State does not have hearing officers that are knowledgeable in the laws and regulations relating to the provision of early intervention services and does not have procedures in place to ensure that hearing officers are impartial, as required by 34 C.F.R. § 303.435.

OSEP appreciates the State's ongoing efforts to improve the implementation of IDEA Part C and to develop and implement a reasonably designed general supervision system that ensures compliance and improving results for infants and toddlers with disabilities and their families. OSEP emphasizes that having a consistent and transparent system for identifying and correcting noncompliance, particularly noncompliance that impacts the delivery of early intervention services, in accordance with IFSPs, and dispute resolution systems that protect the rights of parents, are essential elements to ensuring improved results for infants and toddlers with disabilities and their families. If you have any questions, please contact your OSEP State Lead.

Sincerely,



David J. Cantrell, PhD
Deputy Director

cc: Part C Coordinator

Enclosure:
DMS Monitoring Report
Appendix

MONITORING AND IMPROVEMENT

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
1.1 LA Responsibility for General Supervision To effectively monitor the implementation of the IDEA Part C requirements, the State must have a system that is reasonably designed to meet the general supervisory responsibility for monitoring the provision of IDEA Part C services as required by 34 C.F.R. §§ 303.120, and 303.700 through 303.708. The State is responsible for the general administration and supervision of all EIS programs and providers as well as activities to ensure the State complies with the requirements of IDEA Part C. This includes monitoring the implementation of IDEA Part C requirements by each agency, institution, organization, and EIS program or provider located in the State used to carry out IDEA Part C. Under 34 C.F.R. § 303.700(b), the	*The State limits the scope of programmatic monitoring to the SPP/APR indicators and two State identified indicators, when evaluating and examining EIS programs' compliance with IDEA, which does not meet the requirements in 34 C.F.R. §§ 303.120, and 303.700 through 303.708. In addition, the State's monitoring does not ensure that each agency, institution, organization, and EIS program or provider located in the State used to carry out IDEA Part C are monitored.* **Monitoring EIS Programs** As outlined in the State's monitoring manual, the First Steps Quality Review Procedures Manual (2023) (QR Manual), pp. 8-12, the State conducts annual monitoring of nine EIS programs, the System Point of Entries (SPOEs) through an annual quality review process. The monitoring work is completed by the State's quality review contractor ECC. Consistent with the QR Manual, the State confirmed that the monitoring of EIS programs consists of data collected on the SPP/APR compliance Indicators 1, 7, 8A, 8B, and 8C, and two State identified indicators. The current State identified indicators represent data collected on whether annual IFSPs for eligible infants and toddlers are written prior to the expiration date, and whether families receive written notice 10 days in advance of all meetings. In addition, the State may change the State identified indicators at any time. The sample local monitoring reports (findings letters) that the State provided for OSEP's review confirm this limited scope of monitoring EIS programs. The	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State does not have a general supervision system that is reasonably designed to identify noncompliance with all IDEA Part C requirements in a timely manner, as required by 34 C.F.R. §§ 303.120, and 303.700 through 303.708. Specifically, the State: 1. Does not ensure that each agency, institution, organization, and EIS program or provider located in the State used to carry out IDEA Part C is monitored. 2. Only identifies noncompliance with the IDEA Part C requirements through a review of the SPP/APR	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. Updated written policies and procedures which provide a description of the State's programmatic monitoring under IDEA Part C that demonstrate compliance with the monitoring and enforcement requirements in 34 C.F.R. §§ 303.120, and 303.700 through 303.708, including monitoring beyond the SPP/APR indicators**.** 2. Updated policies and procedures, documenting the State's process to monitor each agency, institution, organization, and EIS program or provider located in the State used to carry out IDEA Part C consistent with the requirements in 34 C.F.R. §§ 303.120, and 303.700 through

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
primary focus of the State's monitoring activities must be on improving early intervention results and functional outcomes for infants and toddlers with disabilities. See also OSEP's Question and Answer document 23-01, State General Supervision Responsibilities under Parts B and C of the IDEA: Monitoring, Technical Assistance, and Enforcement (July 24, 2023) (OSEP QA 23-01). See Appendix for a listing of additional legal requirements.	State acknowledged that there has been no formal monitoring of other IDEA Part C requirements during the annual monitoring process, including the requirements related to parent receipt of procedural safeguards, eligibility, and evaluations. The QR manual states that the monitoring activities may include data reviews related to other State identified indicators which in the past have included quality reviews for correct calculation of family cost participation and collection of insurance documentation, high quality IFSP outcomes, number of visits completed or cancelled as noted on progress reports, clarity of supporting documentation for service coordinator activities, and family assessment completion/declination rates. During discussions with OSEP, the State reported that when conducting annual monitoring the State reviews all of the individual files in a child's record for quality and compliance purposes, such as a review of services planned, and whether those services were delivered. The State explained that these informal reviews guide the identification of topics for future monitoring as State identified indicators, but do not lead directly to findings of noncompliance. The QR Manual does not, describe a clear process for how the State determines topics to become areas for State identified indicators. The State did not provide evidence that the EIS programs (SPOEs) are monitored on IDEA Part C requirements other than the SPP/APR indicators and the two State-identified indicators referenced above. **Monitoring EIS Providers**	indicator data and a limited amount of State identified indicators, rather than all IDEA Part C requirements.	303.708. **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Evidence that EIS programs and providers were monitored for IDEA Part C requirements, including copies of monitoring reports and other relevant evidence demonstrating a reasonably designed State general supervision system which also demonstrates the one-year timeline for correction. 2. Documentation of training conducted with EIS programs and providers, memorandums, or other mechanisms used to communicate the updated policies and procedures.

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
	The State also has 40 multidisciplinary agencies that operate throughout the State as EIS providers to provide developmental therapy, occupational therapy, physical therapy, and speech language pathology services. The EIS providers have agreements with the State to provide IFSP services to children and their families. Additionally, the State has over 100 independent EIS providers across the State who have agreements to provide nutrition, psychology, social work, audiology, medical/nursing, transportation and interpreter services for children and their families under IDEA Part C. The QR Manual reflects that EIS providers are required to participate in biennial monitoring that is conducted by the QR contractor. According to the QR Manual, the monitoring consists of a review of 10 percent, or a minimum of two enrolled provider service logs for quality. The QR Manual states that the quality items reviewed in the logs include whether time in and time out entries are completed, legibility of the log, whether family friendly language is used, whether the description of service sessions are clear, whether the family or caregiver was engaged during a session, documentation of cancellations, and the presence of parent and provider signature and dates. The State uses a checklist of questions to conduct interviews with the EIS providers after completing reviews of the provider service logs, although this practice is not included in the QR manual. OSEP's review of the checklists provided by the State found questions about how many providers the EIS provider has, whether the providers deliver in person or virtual services, the diversity of the providers, whether there		

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	is a protocol to address no shows or cancellations by families, needs for professional development, and agency successes and any challenging issues. OSEP's review did not find any of the quality items identified in the QR Manual as the focus for the biennial monitoring of EIS providers. The State reported that any concerns identified during the quality reviews of the EIS providers' service logs would be communicated via email to the EIS provider, along with suggestions for addressing the concern. The State does not make findings of noncompliance or issue formal letters to EIS providers if noncompliance is identified during the quality review process. The QR Manual does not reflect the State's practice of conducting interviews, or use of a checklist, as part of the process for monitoring EIS providers. In addition, the QR Manual does not reflect the actions that the State takes if it identifies any concerns when conducting the quality reviews for monitoring EIS providers. Based on a review of documentation and interviews with the State, OSEP concluded that the State does not ensure that all EIS providers are monitored by the State or by the EIS programs for compliance with IDEA Part C requirements.		
1.2 Notification of Noncompliance Under 34 C.F.R. § 303.120, the State must notify EIS programs or providers in writing of any identified	*The State's notification of noncompliance does not include all required content to promote timely correction of noncompliance, as required by 34 C.F.R. §§ 303.120 and 303.700(e).* During interviews with OSEP, the State explained that activities for conducting annual monitoring of	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. Updated policies and procedures demonstrating that the

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
noncompliance. The written notification of noncompliance (i.e., a finding) is from the State to the EIS program or provider and should contain the elements described in OSEP QA 23-01, Question B-6. In exercising its monitoring responsibilities under 34 C.F.R. § 303.700(e), the State must ensure that when noncompliance is identified with the IDEA Part C requirements by EIS programs or providers, the noncompliance is corrected as soon as possible, and in no case later than one year after the State's written notification of noncompliance. See OSEP QA 23-01, Questions B-10 and B-14. See Appendix for a listing of additional legal requirements.	EIS programs begins in September when a list is developed for each indicator for whom the activity should have occurred during the defined time period under review. Once disaggregated by cluster, all lists are sent to the respective SPOE to conduct data quality assurance and ensure all early intervention records are fully uploaded into the State's document repositories. With the assistance of ECC, from October to December a sample of files from the list are reviewed for SPP/APR Indicators 1, 7, 8A, 8B, 8C, and the State identified indicators. For any files found to be noncompliant, the State issues annual local monitoring report letters (i.e., findings) in December. The ECC then will conduct activities to verify the of correction of noncompliance on a quarterly basis (e.g. October, January, April), until the noncompliance has been corrected. This process and the timeline of dates are consistent with the State's written policies and procedures in the QR Manual and SPP/APR indicator protocols. The State's finding letter template, Appendix E, pp. 24-30 of the QR Manual includes the following, "As a reminder, any finding must be corrected within one year," however the finding does not specify, "…from the date of the State's written notification of noncompliance," or other information indicating when the one-year correction timeline would begin. The State's sample and actual finding letters did not identify the actual due date for the correction of noncompliance, or specifically indicate when the one-year timeline would begin. As a result, EIS programs may not be aware of the final due date for correction of the noncompliance. The State also submitted samples of the actual annual	this analysis, OSEP finds that: The State's notification of noncompliance (i.e., a finding) does not ensure proper notice to EIS programs of identified noncompliance or include all of the required content to promote the timely correction of noncompliance, as required by 34 C.F.R. §§ 303.120 and 303.700(e). Specifically, the State's notification does not include: a. A statement that the noncompliance must be corrected as soon as possible, and in no case later than one year *from the date of the State's written notification of noncompliance*; b. any required corrective action(s); and c. a timeline for submission of a corrective action plan or evidence of correction.	State includes in written notifications of noncompliance all the required information to ensure proper notice to EIS programs and to promote timely correction of noncompliance, as required by 34 C.F.R. §§ 303.120 and 303.700(e). 2. A sample letter of finding that includes: a. A statement that the noncompliance must be corrected as soon as possible, and in no case later than one year from the date of the State's written notification of noncompliance; b. any required corrective action(s); and c. a timeline for submission of a corrective action plan or evidence of correction. **Evidence of**

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	local monitoring activities that included emails sent to SPOE directors on November 30 with the preliminary data results attached. The email communication informed the SPOE director that supporting documentation and evidence of a change in compliance could be submitted through December 13. The State did not, however, provide examples of the finding letter that was initially sent out in December, rather provided examples of letters that were sent in March demonstrating the verification of correction of noncompliance through the quarterly review process conducted after the original noncompliance had been identified. The letter that the State uses to notify EIS programs that noncompliance has been corrected is the same template used when the State identifies noncompliance. The correction letter included the following: The Bureau of Child Development Services (BCDS) and the Quality Review (QR) Team would like to share the data from FFY 2021 Quarter 3 sampling of Indicator 8B, 8C, and 17 and Quarter 4 sampling of Indicator 16. As a reminder, any finding must be corrected within one year. This letter serves as an update to your performance on this compliance indicator and has closed the finding issued for this indicator. The State's use of the exact same language in both the identification of noncompliance finding letter, and the verification of correction letter adds to the confusion of when the one-year timeline begins and ends as the, "As a reminder, any findings must be corrected within one year," appears in both letters. As explained in OSEP QA 23-01, Question B-13, and		**Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Populated monitoring reports or letters that include the above referenced notification components, and any other State documents used to notify EIS programs of identified noncompliance and the timeline to correct.

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
	required by 34 C.F.R. § 303.700(e), there is a longstanding requirement to correct noncompliance as soon as possible, but no later than one year after the State's written notification of noncompliance. The State may require correction within a shorter time period when noncompliance has been identified but must ensure that the noncompliance is corrected as soon as possible, and in no case later than one year after the State's written notification of noncompliance. OSEP QA 23-01, Question B-6, further explains that proper notice to EIS programs or providers, that promotes the timely correction of noncompliance, the finding should include a description of the identified noncompliance; the statutory or regulatory IDEA requirement(s) with which the EIS program or provider is in noncompliance; a description of the quantitative and/or qualitative data (i.e., information, supporting the State's conclusion that there is noncompliance); a statement that the noncompliance must be corrected as soon as possible, and in no case later than one year from the date of the State's written notification of noncompliance; any required corrective action(s); and a timeline for submission of a corrective action plan or evidence of correction. The State's notification of noncompliance template and sample findings do not include a timeline for submission of a corrective action plan or evidence of correction.		
1.3 Annual Determinations Under 34 C.F.R. § 303.700(a)(2),	*The State is not making annual determinations about the performance of each EIS program, in accordance with 34 C.F.R. § 303.700(a)(2) and 303.703(b).*	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025:

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
States must make determinations annually about the performance of each EIS program, using the categories in 34 C.F.R. § 303.703(b). Under 34 C.F.R. § 303.703(b), when making annual determinations about the performance of each EIS program, States must use the same four determination categories that OSEP is required to use with States: meets requirements, needs assistance, needs intervention, and needs substantial intervention. OSEP requires, when making an annual determination on the performance of each EIS program under Part C, a State must consider the following factors: (1) performance on compliance indicators; (2) valid and reliable data; (3) correction of identified noncompliance; and (4) other data available to the State about the EIS program's compliance with IDEA, including any	The State's early intervention system, called First Steps, is administered at a local level in groups of counties called clusters. There are nine cluster regions across the State, with each cluster having a SPOE that serves as the lead agency at the local level. All SPOEs have a contract with the State and are responsible for referral, evaluation and assessment, and service coordination activities. The SPOE service coordinators take the lead in reaching out to EIS provider agencies to coordinate IFSP services for families. The SPOEs are considered the State's EIS programs under 34 C.F.R. § 303.11. During OSEP's visit, State staff acknowledged that, although the State conduct's annual monitoring of the performance of each EIS program, and annually report on the performance of each EIS program in the SPP/APR, the State has not been making annual determinations about the performance of each EIS program in the State using the same four determination categories that OSEP is required to use with States: meets requirements, needs assistance, needs intervention, and needs substantial intervention. The State is working to develop a process and written policy for making annual determinations about the performance of each EIS program using the categories in 34 C.F.R. § 303.703(b).	with State staff and other interested parties. Based on this analysis, OSEP finds that: The State does not make annual determinations about the performance of each EIS program in the State, in accordance with 34 C.F.R. §§ 303.700(a)(2) and 303.703(b). Specifically, the State is not using the same four determination categories that OSEP is required to use with States: meets requirements, needs assistance, needs intervention, and needs substantial intervention, in accordance with 34 C.F.R. § 303.703(b).	1. Updated policies and procedures documenting the State's process to make annual determinations about the performance of each EIS program in the State, in accordance with 34 C.F.R. §§ 303.700(a)(2) and 303.703(b). **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Copies of the State's annual IDEA determinations for the nine EIS programs in the State, in accordance with 34 C.F.R. § 303.703(b), and any underlying protocols or rubrics that were used in completing the determinations.

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
relevant audit findings. See OSEP QA 23-01, Question D-2. See Appendix for a listing of additional legal requirements.			
1.4 Transition Notification: Part C Responsibilities Under 34 C.F.R. § 303.209(b), for toddlers with disabilities who are exiting Part C and potentially eligible for Part B services, the State must notify, not fewer than 90 days before the toddler's third birthday, the State educational agency (SEA) and local educational agency (LEA) for the area where the toddler resides that the toddler on his or her third birthday will reach the age of eligibility for services under IDEA Part B, as determined in accordance with State law. The transition notification to the LEA and SEA must include the child's name, date of birth, and parent contact information (name, home	*The State does not ensure that the SEA and appropriate LEA receive notification of any infants or toddlers with disabilities who are identified as potentially eligible for preschool services under IDEA Part B consistent with 34 C.F.R. § 303.209(b). Specifically, the State's transition notification for toddlers with disabilities has only been provided to the LEA.* OSEP's review of the State's QR Manual (p. 9), found that the State's monitoring of local programs includes a review of EIS program data for SPP/APR Indicator 8B: Notification of SEA/LEA of Potentially Eligible Children. However, p. 5 of the State's protocol, Indicator 8: Early Childhood Transition, indicates that they are only tracking information on whether the 30-month notice was sent to the LEA timely, and not the SEA. Similarly, the Qualtrics Survey Transition form that the State uses to collect transition data for annual monitoring activities only tracks whether the 30-month notice was sent to the LEA. The State informed OSEP, during the DMS discussions that transition notifications were not sent to the SEA between Feb. 2021 through May 2024 due to staff transitions and vacancies during that period. The State further reported that transition notifications	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State does not ensure that the SEA and appropriate LEA receive notification of any infants or toddlers with disabilities who are identified as potentially eligible for preschool services under IDEA Part B consistent with 34 C.F.R. § 303.209(b). Subsequent to OSEP's visit, the State provided evidence demonstrating that in June 2024 and July 2024, the State provided notifications to both the SEA and the LEA, not fewer than 90 days before the toddler's third	**CLOSED** *July 28, 2025*

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and email address, telephone number) as required in 34 C.F.R. §§ 303.209(b)(1)(i) and 303.401(d). As required under 34 C.F.R. § 303.344(h)(2)(iii), transition from Part C services in the IFSP must include confirmation that LEA notification and other child find information has been transmitted to the LEA or other relevant agencies, as appropriate. See also OSEP's 2023 Early Childhood Transition Question and Answers (Nov. 28, 2023) (OSEP QA 24-01) document, Question 2. See Appendix for a listing of additional legal requirements.	to the SEA resumed in June 2024. OSEP reviewed the State's August 2017 Memorandum of Understanding (MOU) between the LA and the SEA. The MOU reflects the LA's agreement to notify both the SEA and LEA (where the toddler receiving Part C services resides) each month of a list of all toddlers with disabilities turning 30 months of age and who are potentially eligible for IDEA Part B services.	birthday, for toddlers with disabilities who are exiting Part C and potentially eligible for Part B services. No further actions required.	
1.5 Timely Early Intervention Services As a condition of receiving assistance under IDEA Part C, each State must ensure that appropriate early intervention services are available to all infants and toddlers with disabilities and	*The State's requirement to obtain a physician's signature of agreement with the early intervention services described in the IFSP prior to the provision of early intervention services is inconsistent with the requirements in 34 C.F.R. §§ 303.20(c), 303.342(e), and 303.344(f)(1).* The State's documents submitted to OSEP for review contains a requirement for a physician's signature on the IFSP, prior to the initiation of any early	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State's IFSP forms, and	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. Updated policies, procedures, and State documentation revised to be consistent with the requirements in 34 C.F.R. §§ 303.20(c),

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
their families as required by 34 C.F.R. § 303.112. Each State must ensure that Part C services are provided to all eligible infants and toddlers with disabilities and their families in a timely manner and must be provided as soon as possible after the parent provides consent for that service, as required by 34 C.F.R. §§ 303.20(c), 303.342(e) and 303.344(f)(1).	intervention services. The State defines *timely* receipt of early intervention services, in the State's protocol on SPP/APR Indicator 1: Timely Services: All services written in the IFSP are initiated within 30 calendar days from the IFSP start date with parent approval, or within 30 days from the parent signature date on the IFSP service page for newly added services. Additionally, the State's policy manual, First Steps Early Intervention Policy Manual, September 1, 2018 (Policy Manual), p. 26, establishes the following timelines for initiating IFSP services: • New services on an initial IFSP must begin within 30 days of parent signature on the initial IFSP. • New services on an annual IFSP must begin within 30 days of IFSP start date. • Changed or added services outside of an annual IFSP, must begin within 30 days of parent signature on the IFSP change page. The State's definition of timely receipt of services does not require a physician's signature as a condition to initiating early intervention services. However, OSEP identified several State documents where a physician's signature of agreement is required as a condition to the delivery of early intervention services. OSEP reviewed the State's webpage that outlines a seven step process for obtaining early intervention services for eligible infants and toddlers with disabilities and their families under IDEA Part C.	other State documentation contain provisions that are inconsistent with 34 C.F.R. §§ 303.20(c), 303.342(e), and 303.344(f)(1). Specifically, the State requires a physician's signature of agreement to the early intervention services described on the IFSP, prior to the provision of early intervention services.	303.342(e), and 303.344(f)(1). **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Provide a copy to OSEP of a memorandum or other directive, the State issued to all EIS programs and providers, parent advocacy groups, and other interested parties advising them of the changes to the State's IFSP process and the provision of early intervention services, and any other State documents describing when the early intervention services begin to ensure consistency with the IDEA requirements as described above. 2. Documentation of training conducted with EIS programs and providers and State staff, used to communicate the updated policies and

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	Step 6 in the State's process, reflected on the State's webpage, includes the following: Signature from [a] physician on [the] IFSP agreeing with services is required before ongoing services can begin (required within 10 days from IFSP date – Service Coordinator sends materials to physician and follows up). The State's webpage clearly indicates that IFSP services cannot begin without a physician signature of agreement with the early intervention services described in the IFSP. The requirement for a physician signature is also included on the State's Annual IFSP Checklist: State Form 51919 (10-04), as an item required to process an annual IFSP, "Physicians signature on [the] IFSP page (*this must accompany the plan*)." In addition, Section 8 of the State's IFSP Pilot Form Final (IFSP form) identifies the specific early intervention services that have been determined to be necessary to address the individual needs of an infant or toddler. The IFSP form requires the signature of a parent as consent to implement the early intervention services described in Section 8 of the IFSP. However, in addition to requiring a parent signature, the IFSP form also requires the signature of a physician as evidence of agreement with the listed services. The physician signature requirement appears in the IFSP form, p. 5: Based on the attached summary of the child's present level of performance and evaluation information, I agree that the recommended therapies are necessary and appropriate and may		procedures.

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	be provided as listed for up to one year from this date. OSEP's review of State-submitted populated IFSPs confirms the inclusion of this language requiring a physician's signature prior to the provision of early intervention services. OSEP further reviewed the State's Changes to the IFSP: State Form 51841 (R6/ 7-15) (IFSP change form) and found that this form also requires the signature and agreement of a physician for modifications described in the IFSP prior to the provision of early intervention services. The physician's signature appears below the following statement: Once you have received the above modification to the IFSP, please indicate your agreement with the services planned for this child and family in the space provided. Please return this signed form to the Service Coordinator listed above and retain a copy with the IFSP document in your patient's records. If for any reason you do not agree with the services set forth in this IFSP, please contact the Service Coordinator immediately to discuss your concerns. You may also attach comments to this form. By signing below, you agree with the recommended services being provided for up to one year from this date. The IFSP change form also contains the following language pertaining to the parent signature: I participated in the IFSP review process and agree with the revisions reflected in this section. I understand that changes in service that results		

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	in an addition or increase of service required the consent of my child's physician. *Once signed by my child's physician* [emphasis added], I give informed, written consent to implement the services described in this document confirmed by my signature on this form. The language on the IFSP change form demonstrates that the State does not consider a parent's consent to services, as the start to the timeline to provide the early intervention services. Rather, the State only considers receipt of a parent's consent to services *after* a physician's signature has been obtained indicating agreement with any additional or increase in existing services. During discussions with the State, OSEP expressed concerns that the requirement to obtain a physician signature, prior to the initiation of services, could lead to a delay in the provision of early intervention services. The State explained that the physician's signature serves as prior approval, authorizing the State to bill private health insurance, which OSEP confirmed in the State's, *Indiana Code (IC) 27-8-27-6(b),* under Reimbursement of first steps program for early intervention services payments, and includes the following: A health insurance plan may not require authorization for services specified in the covered individual's individualized family service plan, if those services are a covered benefit under the plan, once the individualized family service plan is signed by a physician, an advanced practice registered nurse, or a physician assistant.		

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	The State also reported that the physician signature is required to meet State licensure requirements applicable to occupational therapists and physical therapists, that require an order or referral of a physician before providing services. OSEP notes, however, that the restriction on providing services applies to all services, including service coordination and other services that are not affected by the State licensure requirements. The State's explanation is consistent with *IC 25-23.5* and *IC 25-27*. OSEP recognizes the significance to the State of ensuring compliance with these State requirements that are outside of the requirements in IDEA. Nonetheless., the State is responsible for providing timely services, which is defined by the State as: …within 30 calendar days from the IFSP start date with parent approval, or within 30 days from the parent signature date on the IFSP service page for newly added services. By precluding the initiation of any EIS services prior to obtaining a physician's signature, the State is creating a structural impediment to meeting the established deadline. Finally, OSEP reviewed the State's SPP/APR Indicator 1 data in the State's SPP/APR submissions for FFYs 2021, 2022, and 2023. In each submission, the State reported delays in the provision of timely early intervention services due to, "Late Dr. Signature." Specifically, the State reported 18 delays in FFY 2021, 12 delays in FFY 2022, and 6 delays in FFY 2023 due to a late physician signature.		

FISCAL MANAGEMENT

RECOMMENDATIONS

BACKGROUND

Based on interviews with parents, and other interested parties, OSEP identified a concern related to the implementation of the State's System of Payments (SOP). Some parents that OSEP interviewed, shared that the State's First Steps Cost Participation Policy (which serves as the State's SOP), was confusing and the parents were unclear about how much their family's cost participation fee was and whether or not their private insurance had been accessed or not. The State's SOP, which is on file with OSEP, is one of the mechanisms by which the LA ensures financial responsibility for the provision of IDEA Part C services. The State uses a sliding fee schedule (found in the State's code *470 IAC 3.1-12-7* (Cost Participation Plan) to determine each families' cost participation fee, if any (the State refers to the cost participation fee as a *co-payment* to the First Steps program).

Multiple parents said the payment requirements from the State's SOP were not explained well. As an example, one parent said they did not receive a bill from the State for four months, and the parent could not understand how the amount on their bill was determined. Another parent received a bill for $2500.00, which according to the State's family fee scale, is over twice the maximum amount the State could charge a family in a given month. Other parents expressed confusion upon finding out that their insurance carrier did not pay for any portion of their First Steps bill. In addition, during OSEP's interview with providers, many shared that families seemed unclear of how their First Steps bill was calculated, and at least one provider said a family declined services, due to concerns with their potential co-payment. Finally, the State's Parent and Training Information Center, reported that parents consistently expressed concerns about billing and the State's SOP (cost participation policy).

The State also acknowledged the need to update the SOP to align with current practice. For example, while the State's SOP clearly outlined the responsibilities of the intake coordinator and service coordinator at the SPOE level, the State shared that there is no longer a dedicated intake coordinator, and those responsibilities have been assumed by the service coordinator or other administrative staff. Some of the key responsibilities that the service coordinator is now responsible for include collecting family income information to determine each family's cost participation fee, explaining a family's responsibility to make timely co-payments/family fees based on the cost participation sliding fee schedule, and providing families with the SOP policy, sliding schedule, and procedural safeguards.

In addition, the State's SOP includes the following:

> The parent will remain responsible for payment of their family's insurance premiums and any First Steps co-payment based on the family income for delivered First Steps services that are not reimbursed by insurance.

During OSEP's monitoring visit, State staff explained that if private insurance paid any amount above $0.01 for a service, the family would not be assessed a cost participation fee. State staff acknowledged that the above statement could be confusing and noted that the State's policies would be updated. Finally, the State's SOP discusses suspending services for non-payment of cost participation fees, however during OSEP's monitoring visit, State staff stated that services have not, and would not, be suspended for non-payment of those fees.

RECOMMENDATIONS

OSEP recommends that the State:

1. Update the First Steps Cost Participation Procedures, the State's SOP, to reflect the State's current practices. Specifically, OSEP recommends that the State remove the role of the intake coordinator, clarify whether or not a family would still be responsible for a First Steps co-pay if any amount above $0.01 was paid by the insurance carrier, and remove language related to the suspension of services for a family's failure to pay their First Steps co-pay, if this is no longer the practice of the State.
2. Monitor and provide technical assistance to service coordinators to ensure that meetings with families are occurring quarterly, consistent with the State's SOP, review a sample Explanation of Benefits (EOBs) during their first quarter visit and if possible the family's actual EOBs at each subsequent quarterly visit and ask, no less than quarterly, if the family needs to report a reduction in income, an increase in family size, or an increase in medical or personal needs expenses for any family member.
3. Consider adding a State level indicator to the State's First Steps Quality Review Manual that checks to ensure Service Coordinators are meeting with families as described in the second recommendation above.

DISPUTE RESOLUTION

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
2.1 Dispute Resolution Procedures The State must have reasonably designed dispute resolution procedures and practices if it is to effectively implement: 1. The mediation requirements in 34 C.F.R. § 303.431; 2. The State complaint procedures requirements in 34 C.F.R. §§ 303.432 through 303.434; and 3. The due process complaint and impartial due process hearing requirements 34 C.F.R. §§ 303.435 through 303.438. See Appendix I for a listing of additional legal requirements.	*The State's code at 470 IAC § 3.1 and written procedures and documents for the timely administrative resolution of complaints through mediation, State complaints, or due process, are not cited to the relevant IDEA Part C regulations and contain provisions that are inconsistent with 34 C.F.R. § 303.431 through 303.438.* During OSEP's monitoring visit, the State reported that the procedures for mediation, State complaints, and due process hearings are included in Appendix C of the State's procedural safeguards, A Family's Guide through Procedural Safeguards (December 2008) (Family Guide). In addition, the State confirmed that the IDEA Part C due process procedures have been adopted. After completing a review of the State's documentation and monitoring interviews, OSEP found that the State code at *470 IAC § 3.1* and the Family Guide contained information that is inconsistent with the IDEA Part C regulations. Additionally, OSEP found that the Family Guide contained outdated citations to the IDEA Part C regulations. For example, the Family Guide includes the following on p. 28, "A statement that the State has violated a requirement of Part C of the Act or the regulations in this part." However, this language is from an outdated regulation and is not consistent with 34 C.F.R. § 303.434(b)(1), which requires that the complaint include a statement that the lead	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State's code at *470 IAC § 3.1* and written procedures for the timely administrative resolution of complaints through mediation, State complaints, and due process hearing procedures do not cite to the relevant IDEA regulations and contain provisions that are inconsistent with 34 C.F.R. §§ 303.431 through 303.438.	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. Revised policies and procedures that reflect the requirements in 34 C.F.R. §§ 303.431 through 303.438. AND 2. A written assurance specifying that as soon as possible but in no case later than July 28, 2026, the State will take steps to ensure that the State code at *470 IAC § 3.1* is consistent with the requirements in 34 C.F.R. §§ 303.431 through 303.438. 3. A copy of a memorandum or other notification issued to all EIS programs and providers, parent advocacy groups, and other interested parties advising them that the State policies and procedures for mediation, State complaints, and due

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	agency, public agency, or EIS provider has violated a requirement of IDEA Part C. Using the term "the State," rather than all the entities listed under IDEA may limit a parents' right to file a complaint. Another example can be found in the State's code at *470 IAC 3.1-15-8*, p. 47, *Timelines and convenience of hearings and reviews*, which states that due process hearings must be completed and written decisions must be mailed not later than 45 days after the request for a hearing is received. The State's timeline allowing 45 days after the request for hearing is received is inconsistent with 34 C.F.R. § 303.437(b), which requires completion and mailing not later than 30 days (State has adopted Part C procedures). The examples above are a small sampling of the inconsistencies the State has within their State code at *470 IAC § 3.1* and the Family Guide that may confuse a parent or other member of the public on what is required to implement the IDEA Part C program. The State acknowledged awareness of inconsistent and inaccurate information in the Family Guide and reported that they are in the process of developing content to create a page about dispute resolution for the State's website that will include descriptions of their mediation, State complaint, and due process procedures that are consistent with the requirements in IDEA Part C. In addition, the State described efforts to either revise the State's code or to update the State's policies and procedures to be consistent with IDEA Part C. OSEP is available to provide		process hearings are being revised to ensure consistency with the IDEA requirements as described above. **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Copies of final revised State policies and State codes (if not already provided above) to ensure consistency with the requirements in 34 C.F.R. §§ 303.431 through 303.438. 2. Documentation of training conducted with EIS programs and providers, memorandums, or other mechanisms used to communicate the updated policies and procedures.

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
	technical assistance on other content in the State's code and Family Guide that need revision.		
2.2 Procedural Safeguards Notice Under 34 C.F.R. § 303.400 the State must establish or adopt the procedural safeguards that meet the IDEA Part C requirements, including the provisions on confidentiality in 34 C.F.R. §§ 303.401 through 303.417, parental consent and notice in 34 C.F.R. §§ 303.420 and 303.421, surrogate parents in 34 C.F.R. § 303.422, and dispute resolution procedures in 34 C.F.R. § 303.430. In addition, the State must ensure the effective implementation of the safeguards by each participating agency (including the lead agency and EIS providers) in the statewide system that is involved in the provision of early intervention services under this part; and make available to parents an initial copy of the child's early	*The State's procedural safeguards notice is not cited to the relevant IDEA Part C regulations on confidentiality of personally identifiable information and early intervention records in 34 C.F.R. §§ 303.401 through 303.417, parental consent and notice in 34 C.F.R. §§ 303.420 and 303.421, surrogate parents in 34 C.F.R. § 303.422, and dispute resolution procedures in 34 C.F.R. § 303.430.* The State's established procedural safeguards to meet the IDEA Part C requirements are included the State's Family Guide. The Family Guide also includes citations and content from the State's code at *470 IAC § 3.1*, which as stated above, includes citations that are out of date. OSEP found, and the State confirmed, that the Family Guide has multiple provisions that are inconsistent with, or do not provide complete information, regarding current IDEA Part C requirements relating to the confidentiality of personally identifiable records and early intervention records, and the parental consent and notice. The State acknowledged that the procedural safeguards notice contained information that is not consistent with IDEA Part C and have drafted an updated notice. The State also received feedback from the public and other interested parties on the content of the procedural safeguards draft and are working closely with OSEP funded TA centers to	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State's procedural safeguards notice is not cited to the relevant IDEA regulations on confidentiality of personally identifiable information and early intervention records in 34 C.F.R. §§ 303.401 through 303.417, parental consent and notice in 34 C.F.R. §§ 303.420 and 303.421, surrogate parents in 34 C.F.R. § 303.422, and the dispute resolution procedures in 34 C.F.R. § 303.430.	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. A copy of the updated procedural safeguards notice revised to be consistent with the IDEA Part C regulations on confidentiality of personally identifiable information and early intervention records in 34 C.F.R. §§ 303.401 through 303.417, parental consent and notice in 34 C.F.R. §§ 303.420 and 303.421, surrogate parents in 34 C.F.R. § 303.422, and dispute resolution procedures in 34 C.F.R. § 303.430. 2. A written assurance specifying that as soon as possible but in no case later than July 28, 2026, the State will take steps to ensure that the State code at *470 IAC 3.1* is consistent with the IDEA requirements as described

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
intervention record, at no cost to the parents. See Appendix for a listing of additional legal requirements.	finalize the draft.		above. 3. A copy of a memorandum or other notification issued to all EIS programs and providers, parent advocacy groups, and other interested parties advising them that the procedural safeguard notice is being revised to ensure consistency with the IDEA requirements as described above **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Copies of final revised procedural safeguard notice and State codes (if not already provided above) to ensure consistency with the requirements in 34 C.F.R. §§ 303.401 through 303.417, 303.420 through 303.422, and 303.430. 2. Documentation of training conducted with EIS programs and providers,

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
			memorandums, or other mechanisms used to communicate the updated policies and procedures.
2.3 Tracking State Complaint Decisions and Corrective Actions Under 34 C.F.R. § 303.433(a), the State's complaint procedures must include a time limit of 60 days after a complaint is filed to carry out the activities in 34 C.F.R. § 303.433(a)(1) through (5). Under 34 C.F.R. § 303.433(b)(2), a State's minimum State complaint procedures must include procedures for effective implementation of the State's final decision, if needed, including (i) technical assistance activities, (ii) negotiations, and (iii) corrective actions to achieve compliance. In exercising the monitoring responsibilities under 34 C.F.R. § 303.700(e), the State must ensure that noncompliance is identified	*The State does not have policies and procedures to ensure the timely resolution of State complaints and effective implementation of the State's final decision, as required by 34 C.F.R. §§ 303.433 and 303.700(e).* The State's internal procedures, Written State Complaints Procedures (Updated Feb. 2024) (SC internal procedures), include the following on p. 8: …if the State identifies noncompliance with the requirements of Part C of IDEA or corresponding State law, the State will issue findings of noncompliance and order corrective action within the final written decision. The State's practice, according to the SC internal procedures, when noncompliance has been identified, the final written decision will specify steps which the EIS provider must take to correct the noncompliance, including the timelines by which the early intervention service provider is required to respond to the decision and implement corrective action. The State's written State complaint log is the mechanism used to track timelines and completion of required actions. The written State complaint log also contains procedures for investigating State complaints overall. The State's log ends with a section called, Day 60: Issuance of Final Decision.	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State does not have State complaint procedures to ensure the timely resolution of State complaints and the effective implementation of the State's final decision, as required by 34 C.F.R. §§ 303.433 and 303.700(e).	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. A copy of updated written procedures, State guidance documents, complaint logs, and any other State documents to ensure the effective implementation of the State's final decision, revised to be consistent with the requirements in 34 C.F.R. §§ 303.433 and 303.700(e). **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Evidence that, for any State complaint received after September 2024, where the State found noncompliance and required corrective action, the State tracked the implementation of the

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
with IDEA Part C requirements by EIS programs or providers, the noncompliance is corrected as soon as possible, and in no case later than one year after the State's written notification of noncompliance. See OSEP QA 23-01, Section B. See Appendix for a listing of additional legal requirements.	The State's complaint log does not reflect any additional procedures or activities for tracking corrective actions required by a final decision where the State identified noncompliance. While the SC internal procedures reflect a process that includes tracking and ensuring the implementation of corrective actions ordered through the complaint process, the procedures do not describe the process for ensuring the completion of corrective actions to achieve compliance within a one-year period from the date of the decision letter.		corrective actions identified in a State complaint final decision letter. 2. Evidence that the State has policies and procedures in effect and being implemented in compliance with the State complaint requirements, as described above. Examples of evidence could include complaints filed and resolved using the procedures described above, a tracking mechanism that demonstrates the timely resolution of the final decision, copies of trainings provided to staff that ensure consistent resolution of complaints.
2.4 Prior Written Notice Under 34 C.F.R. § 303.421(a), prior written notice must be provided to parents a reasonable time before the lead agency or an EIS provider proposes, or refuses, to initiate or change the	*The State is not ensuring that the prior written notice provided to parents a reasonable time before the lead agency or an EIS provider proposes, or refuses, to initiate or change the identification, evaluation, or placement of their infant or toddler, or the provision of early intervention services to the infant or toddler with a disability and that infant's or toddler's family, meets the requirements in 34 C.F.R. § 303.421(b).*	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that:	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. Updated policies and procedures, and any other State documents that have been updated to ensure EIS programs and providers provide prior

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
identification, evaluation, or placement of their infant or toddler, or the provision of early intervention services to the infant or toddler with a disability and that infant's or toddler's family. Under 34 C.F.R. § 303.421(b), the notice must be in sufficient detail to inform parents about (1) the action that is being proposed or refused; (2) the reasons for taking the action; and (3) all procedural safeguards that are available under IDEA Part C, including a description of mediation in 34 C.F.R. § 303.431, how to file a State complaint in 34 C.F.R. §§ 303.432 through 303.434 and a due process complaint in the provisions adopted under 34 C.F.R. § 303.430(d), and any timelines under those procedures. See Appendix for a listing of additional legal requirements.	OSEP reviewed the State's prior written notice documents, including the State Form 51841 Changes to IFSP, as well as SPOE-developed documents which included, the Written Prior Notice of Service Modification form, and the Notification of Intent to Amend the IFSP form. The State's documents did not contain all of the content required to ensure that prior written notice has been provided to parents consistent with the requirements in 34 C.F.R. § 303.421(b). Specifically, the State's documents did not have sufficient detail about the reason for a proposed or refused action, as required by 34 C.F.R. § 303.421(b)(2). For example, the notification forms reviewed for multiple EIS programs when amending the IFSP had boxes to check which identified proposed changes to the IFSP. The notification forms, however, did not have a section that would explain the reasons for the proposed changes. Other EIS program notification forms directed the parent to contact the service coordinator if the parent did not agree with the action taken or refused by the IFSP team, without also including the parent rights under IDEA Part C. By not including the specific dispute resolution rights afforded to parents under IDEA on the prior written notice could limit the parent's ability to pursue formal dispute resolution options available to them under IDEA Part C. The State reported to OSEP that the prior written notice is being revised, and the State is working	The State is not ensuring that the prior written notice provided to parents a reasonable time before the lead agency or EIS provider proposes, or refuses, to initiate or change the identification, evaluation, or placement of their infant or toddler, or the provision of early intervention services to the infant or toddler with a disability and that infant's or toddler's family, meets the requirements in 34 C.F.R. § 303.421. Specifically, the State is not including sufficient detail to inform parents about actions that are being proposed or refused, the reasons for taking the action, and all of the dispute resolution options available under 34 C.F.R. §§ 303.431, 303.432 through 303.434 and 303.430(d).	written notice to parents consistent with 34 C.F.R. § 303.421. **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. A copy of a memorandum or other directive issued to all EIS programs and providers advising them of the requirements for prior written notice consistent with the requirements in 34 C.F.R. § 303.421. 2. Documentation of training conducted with EIS programs and providers, or other mechanisms, used to communicate the updated policies and procedures.

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
	on a universal *State* form, that will be used by all EIS programs or providers.		
2.5 Mediators Under 34 C.F.R. § 303.431(b)(2)(i), the State must maintain a list of individuals who are qualified mediators and knowledgeable in laws and regulations relating to the provision of early intervention services. In addition, under 34 C.F.R. § 303.431(b)(2)(ii), the LA must select mediators on a random, rotational, or other impartial basis. See Appendix for a listing of additional legal requirements.	*The State does not maintain a list of individuals who are qualified mediators and knowledgeable in laws and regulations relating to the provision of early intervention services and does not have a process for selecting mediators on a random, rotational, or otherwise impartial basis, as required by 34 C.F.R. §§ 303.431(b)(2)(i) and (ii).* During interviews with OSEP, the State acknowledged that they currently do not maintain a list of individuals who are qualified mediators and knowledgeable in laws and regulations relating to the provision of early intervention services or have a process for selecting mediators on a random, rotational, or otherwise impartial basis. The State is working to establish contracts with three individuals to serve as mediators and conduct IDEA Part C mediations. The State provided OSEP with a summary of the proposed mediator contracts outlining the scope of work, which includes mediator qualifications, requirements for being impartial, attending trainings, and having knowledge about the provisions of IDEA Part C, including information about selecting and assigning mediators on a rotational basis. The State also provided OSEP with materials that have been developed to train mediators.	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State does not have procedures to meet the mediation requirements in 34 C.F.R. §§ 303.430(b) and 303.431(b)(2). Specifically, the State does not: 1. Maintain a list of individuals who are qualified mediators, and knowledgeable in laws and regulations relating to the provision of early intervention services, as required by 34 C.F.R. § 303.431(b)(2)(i); and 2. Have a process for selecting mediators on	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. Policies and procedures that detail how the State will maintain a list of individuals who are qualified mediators, and knowledgeable in laws and regulations relating to the provision of early intervention services, and will select mediators on a random, rotational, or other impartial basis, as required by 34 C.F.R. §§ 303.430(b) and 303.431(b)(2). **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Evidence that the contracted mediators received training on the laws and regulations relating to the provision of early intervention services and the impartiality

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
		a random, rotational, or otherwise impartial basis, as required by 34 C.F.R. § 303.431(b)(2)(ii).	requirements in 34 C.F.R. § 303.431(b)(2).
2.6 Hearing Officers Under 34 C.F.R. § 303.430(d) each lead agency must adopt written due process hearing procedures to resolve complaints with respect to a particular child regarding any matter listed under 34 C.F.R. § 303.421(a). The State has adopted the Part C due process procedures in 34 C.F.R. §§ 303.435 through 303.438. Under 34 C.F.R. § 303.435(a)(1) whenever a due process complaint is received, a due process hearing officer must be appointed to implement the complaint resolution process and must have knowledge about the provisions of IDEA Part C and the needs of, and early intervention services available for, infants and toddlers with disabilities and their families.	*The State does not have hearing officers that are knowledgeable in the laws and regulations relating to the provision of early intervention services or have procedures in place to ensure that hearing officers are impartial, as required by 34 C.F.R. § 303.435.* During interviews with OSEP, the State reported that they do not currently have any hearing officers. As a result, the State was unable to ensure that appointed hearing officers had knowledge about the provisions of IDEA Part C or were impartial, as required by 34 C.F.R. §§ 303.435. The State reported to OSEP that they are entering into contracts with two individuals that will serve as hearing officers to conduct due process hearings for the IDEA Part C programs. The State provided OSEP with a summary of the proposed hearing officer contracts and the scope of work, which includes hearing officer qualifications, requirements related to being impartial, attending trainings, and having knowledge about the provisions of IDEA Part C, as well as information about how hearing officers will be assigned on a rotational basis. The State also provided OSEP with materials developed to train hearing officers.	OSEP's analysis is based on a review of the documents and information provided by the State, and interviews with State staff and other interested parties. Based on this analysis, OSEP finds that: The State does not have hearing officers that that are knowledgeable in the laws and regulations relating to the provision of early intervention services or have procedures in place to ensure that hearing officers are impartial, as required by 34 C.F.R. § 303.435.	**Policies and Procedures**—the State must submit to OSEP by Oct. 26, 2025: 1. Written procedures that demonstrate how the State will select hearing officers and ensure the hearing officers are trained on the IDEA Part C requirements including early intervention services available for infants and toddlers with disabilities and their families, as required by 34 C.F.R. § 303.435. **Evidence of Implementation**—as soon as possible, but no later than July 28, 2026, the State must submit to OSEP: 1. Evidence that the State has hearing officers and that hearing officers have received training on the laws and regulations relating to IDEA Part C

Legal Requirements	Noncompliant Policy, Procedure or Practice and OSEP Analysis	OSEP Conclusion/Finding	Next Steps/Required Actions
Under 34 C.F.R. § 303.435(b), a hearing officer must be impartial and must not (1) be an employee of the State or EIS provider that involved in the provision of ES services or care of the child, and (2) have a personal or professional interest that would conflict with his or her objectivity in implementing the process. See Appendix for a listing of additional legal requirements.			requirements, including the provision of early intervention services, and the impartiality requirements in 34 C.F.R. § 303.435.

APPENDIX

Monitoring and Improvement Legal Requirements

In order to effectively monitor the implementation of IDEA (or the Act) Part C, the State must have policies and procedures that are reasonably designed to ensure that the State can meet:

1. The general supervisory responsibility as required in 34 C.F.R. § 303.120;
2. The monitoring responsibilities in 34 C.F.R. §§ 303.700 through 303.702; and
3. The responsibility to annually report on the performance of the State and of each EIS program, as provided in 34 C.F.R. §§ 303.700(a)(2) and 303.702(b)(2).

A State's monitoring responsibilities include monitoring compliance by the EIS programs and providers (regardless of whether the programs and providers receive Federal IDEA Part C funds) with the requirements of IDEA Part C to ensure that the LA can effectively carry out the general supervision responsibility under IDEA Part C, consistent with 34 C.F.R. § 303.120(a)(2).

Under 34 C.F.R. § 303.700(b), the State's monitoring activities must primarily focus on:

1. Improving early intervention results and functional outcomes for all infants and toddlers with disabilities; and
2. Ensuring that EIS programs and providers meet the program requirements under Part C of the Act, with a particular emphasis on those requirements that are most closely related to improving early intervention results for infants and toddlers with disabilities. Improving educational results and functional outcomes for all children with disabilities.

In exercising the monitoring responsibilities under 34 C.F.R. § 303.700(d), the State also must ensure that when it identifies noncompliance with IDEA Part C requirements by EIS programs and providers, the noncompliance is corrected as soon as possible, and in no case later than one year after the State's identification of the noncompliance, as required under 34 C.F.R. § 303.700(e).

Further, under 34 C.F.R. § 303.120 the State must have a system that includes a single line of responsibility in a lead agency designated or established by the Governor that is responsible for the following: (1) The general administration and supervision of programs and activities administered by agencies, institutions, organizations, and EIS providers receiving assistance under Part C of the Act; and (2) The monitoring of programs and activities used by the State to carry out IDEA Part C (whether or not the programs or activities are administered by agencies, institutions, organizations, and EIS providers that are receiving assistance under IDEA Part C), to ensure that the State complies with Part C of the Act. The State must also have in effect a system that includes monitoring and enforcement requirements in 34 C.F.R. §§ 303.700 through 303.701 and 303.704.

In addition, under 34 C.F.R. § 303.700(a)(1), the State must monitor the implementation of IDEA Part C and under 34 C.F.R. § 303.700(a)(4) must report annually on the performance of the State and each EIS program on the targets in the State's Performance Plan. As a part of the monitoring responsibilities under these provisions, the LA must use quantifiable and qualitative indicators in the priority areas identified in 34 C.F.R. § 303.700(d) and the SPP/APR indicators established by the Secretary, consistent with 34 C.F.R. § 303.700(c). Each State also must use the targets established in the State's performance plan under 34 C.F.R. § 303.701 and the priority areas described in 34 C.F.R. § 303.700(d) to analyze the performance of each EIS program located in the State. 34 C.F.R. § 303.702.

Data Legal Requirements

To meet the data reporting requirements of IDEA Sections 616 and 618 (as modified by IDEA Section 642) and 34 C.F.R. §§ 303.124, 303.224 and 303.701(c) and 303.720 through 303.724, the State must 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 and ensure that the data collected and reported reflects actual practice and performance.

Fiscal Management Legal Requirements

Under 34 C.F.R. § 303.120(a)(1), each State's system must include a single line of responsibility in a LA, designated or established by the Governor, that is responsible for the general administration and supervision of all EIS providers (regardless of whether they receive Federal IDEA funds), to ensure Statewide compliance with IDEA Part C requirements. As part of this responsibility, LAs must monitor and enforce the fiscal requirements under IDEA Part C, including the payor of last resort requirements in 34 C.F.R. §§ 303.500 and 303.510 and the system of payment policies, such as use of public benefits or insurance or private insurance to pay for Part C services in 34 C.F.R. §§ 303.520 and 303.521. If the LA identifies noncompliance, it must ensure that the noncompliance is corrected as soon as possible and in no case later than one year after the LA's identification of the noncompliance consistent with 34 C.F.R. §§ 303.120(a)(2)(iv) and 303.700(e). Further, under 2 C.F.R. § 200.303, the LA must establish effective internal controls that provide reasonable assurance of compliance with "Federal statutes, regulations, and the terms and conditions of the Federal award," and the LA must monitor for compliance with the requirements of the Federal award.

Dispute Resolution Legal Requirements

Under 34 C.F.R. § 303.421(a), the State must ensure that prior written notice is provided to parents a reasonable time before the EIS provider proposes or refuses to initiate or change the identification, evaluation or placement of the infant or toddler or the provision of early intervention services. Under 34 C.F.R. § 303.421(b), this notice must be in sufficient detail to inform parents about the dispute resolution procedures.

The State must have reasonably designed dispute resolution procedures and practices if it is to effectively implement:

4. The State complaint procedures requirements in 34 C.F.R. §§ 303.432 through 303.434;
5. The mediation requirements in 34 C.F.R. § 303.431; and
6. The due process complaint and impartial due process hearing requirements in 34 C.F.R. §§ 303.435 through 303.438.

State Complaint Procedures

Under 34 C.F.R. § 303.432, each LA must adopt written procedures for resolving any complaint, including a complaint filed by an organization or individual from another State, that meets the requirements of 34 C.F.R. § 303.434. Under 34 C.F.R. § 303.434, the complaint, among other requirements, must be signed and written and contain a statement alleging that a public agency has violated a requirement of Part C of the Act or the Part C regulations including the facts on which the statement is based. Under 34 C.F.R. § 303.434(c), the complaint must allege a violation that occurred not more than one year prior to the date that the complaint is

received. Under 34 C.F.R. § 303.433(a), the minimum State complaint procedures must include a time limit of 60 days after the complaint is filed to:

1. Carry out an onsite investigation, if the LA determines that an investigation is necessary;
2. Give the complainant the opportunity to submit additional information, either orally or in writing, about the allegations in the complaint;
3. Provide the public agency with the opportunity to respond to the complaint, including, at a minimum—
    a. At the discretion of the public agency, a proposal to resolve the complaint; and
    b. An opportunity for a parent who has filed a complaint and the public agency to voluntarily engage in mediation consistent with 34 C.F.R. § 303.431;
4. Review all relevant information and make an independent determination as to whether the public agency is violating a requirement of Part C of the Act or of this part; and
5. Issue a written decision to the complainant that addresses each allegation in the complaint and contains—
    a. Findings of fact and conclusions; and
    b. The reasons for the LA's final decision.

Under 34 C.F.R. § 303.433(b)(1), the State's procedures must permit an extension of the 60-day time limit only if:

1. Exceptional circumstances exist with respect to a particular complaint; or
2. The parent (or individual or organization, if mediation or other alternative means of dispute resolution is available to the individual or organization under State procedures) and the public agency involved agree to extend the time to engage in mediation under 34 C.F.R. § 303.433(a)(3)(ii), or to engage in other alternative means of dispute resolution, if available in the State.

Mediation

Under 34 C.F.R. § 303.431(a), each LA must ensure that procedures are established and implemented to allow parties to dispute involving any matter under this part, including matters arising prior to the filing of a due process complaint, to resolve disputes through a mediation process. Under 34 C.F.R. § 303.431(b)(1), the State's procedures must ensure that the mediation process—

1. Is voluntary on the part of the parties;
2. Is not used to deny or delay a parent's right to a hearing on the parent's due process complaint, or to deny any other rights afforded under IDEA Part C; and
3. Is conducted by a qualified and impartial mediator who is trained in effective mediation techniques.

Under 34 C.F.R. § 303.431(c)(1)(i)–(ii), an individual who serves as a mediator may not be an employee of the LA or an EIS provider that is involved in the provision of early intervention services or other services to the child and may not have a personal or professional interest that conflicts with the person's objectivity.

Due Process Complaint and Hearing Procedures

Under 34 C.F.R. § 303.430(d)(1), the State must provide a means of filing a due process complaint regarding any matter listed in 34 C.F.R. § 303.421(a). Under 34 C.F.R. § 303.437(b) each LA must ensure that, not later

than 30 days after the receipt of a parent's due process complaint, the due process hearing required under Part C is completed and a written decision mailed to each of the parties. A hearing officer may grant specific extensions of time beyond the period set out in 34 C.F.R. § 303.437(b) at the request of either party. Any party aggrieved by the findings and decision issued pursuant to a due process complaint has the right to bring a civil action in State or Federal court under section 639(a)(1) of the Act. 34 C.F.R. § 303.438.