



Arizona's Early Intervention Program

Request For Public Participation

The Arizona Early Intervention Program (AzEIP) is seeking public comment on a proposed revised policy. This policy specifies how the Arizona Early Intervention Program uses Individuals with Disabilities Education Act (IDEA) funds and describes Arizona's system of payments.

Summary of Changes:

- The audience for this policy has been refocused to apply to AzEIP staff and employees;
- Definitions have been added for previously undefined terms;
- A policy statement was added to clarify that AzEIP is the Payor of Last Resort as defined in the policy;
- Language that was duplicitous to other policy chapters or procedures was removed;
- Language that is not applicable to Arizona because family fees, copayments, and deductibles are not included in the system of payments was removed;
- Requirements for implementing the system of payments that are contracted to service providing agencies (SPAs) were moved to the new proposed Implementing the System of Payments procedure;
- This policy has undergone significant changes to wording, structure, and to reflect the focus on the intended users. Reviewers are encouraged to read the proposed revised policy in its entirety.

Dates:

- Public comment will be open beginning January 22, 2026 and closing February 25, 2026. Comments must be received no later than February 25, 2026, 11:59 pm, Arizona time.
- A public hearing will be held on February 25, 2026 at 2:30pm. Participants may attend by Google Meet or by phone.

Public Hearing Regarding Proposed Revised AzEIP Policy

Wednesday, February 25, 2026 · 2:30pm-3:30pm

Time zone: America/Phoenix

Google Meet joining info

Video call link: <https://meet.google.com/xnz-rjek-nmu>

Or dial: (US) +1 573-559-1883
PIN: 274 582 204#

Instructions:

- Comments may be submitted online by clicking [here](#).
- Do not include any information that you consider confidential or inappropriate for public disclosure.

If access to the online form is not available, you may submit comments to:

AzEIP Public Comment

Arizona Early Intervention Program

1789 West Jefferson Street

Mail Drop 2HP1

Phoenix AZ 85007

(602) 532-9960 (option 3)

Fax: (602) 200-9820

Email: azeip@azdes.gov (subject line: Public Comment)

Draft for Public Participation

5/26

Chapter 5: Financial Matters

Revision Dates: 7/1/2026, 4/1/2022

Effective Date: July 1, 2019

References: 34CFR§303.13; 34CFR§§303.500-303.521

Purpose: The purpose of this policy is to specify how Arizona's Early Intervention Program (AzEIP) meets requirements in the Individuals with Disabilities Education Act (IDEA) with regards to use of funds, payor of last resort, and system of payments.

Definitions

- A. "Early Intervention Services" means developmental services that:
- 1) Are provided with public supervision;
 - 2) Are determined by the Individualized Family Service Plan (IFSP) Team, which includes the parents;
 - 3) Are provided at no cost to families;
 - 4) Are designed to meet the developmental needs of an infant or toddler with a disability and the needs of the family to assist appropriately in the infant's or toddler's development, as identified by the IFSP Team, in any one or more of the following areas, including:
 - a. Physical development;
 - b. Cognitive development;
 - c. Communication development;
 - d. Social or emotional development; or
 - e. Adaptive development;
 - 5) Meet Arizona state standards, including the requirements of part C of the IDEA;
 - 6) Are provided by qualified personnel;
 - 7) To the maximum extent appropriate, are provided in natural environments, as defined in § 303.26 and consistent with §§ 303.126 and 303.344(d); and
 - 8) Are provided in conformity with an IFSP adopted in accordance with section 636 of the Act and § 303.20.
- B. "Payor of Last Resort" means a funding source that may be used only after all other available public and private funding sources have been accessed.

- C. “State Agency” means a state of Arizona agency that has partnered with AzEIP through an intergovernmental agreement, interagency service agreement, intra-agency agreement or Memorandum of Understanding (MOU) to develop and implement a comprehensive, coordinated system of early intervention programs and services for infants and toddlers with or at risk of developmental delays and their families.

Policy

5.0 Financial Responsibility for AzEIP Participating Agencies

- 5.0.1 AzEIP designates financial responsibility to State Agencies when a child meets the eligibility criteria for those State Agencies through intergovernmental and intra-agency agreements.

5.1 Federal Funds Available Under IDEA, Part C: Payor of Last Resort

- 5.1.1 AzEIP uses IDEA, Part C funds to pay for the following as the Payor of Last Resort:
 - A. The following activities, functions, and services authorized under IDEA, Part C:
 - 1) Administration,
 - 2) Maintenance and implementation activities,
 - 3) Direct Early Intervention Services for eligible children and their families that are not otherwise funded through other public and private sources,
 - 4) Related activities by other agencies, and
 - 5) Support for the Interagency Coordinating Council; and
 - B. To expand and improve services for an eligible child and his/her family that are otherwise available.
- 5.1.2 AzEIP does not use IDEA, Part C funds for the following:
 - A. To pay for Early Intervention Services that are to be paid by another public or private source, including any medical program administered by the Department of Defense, but for the enactment of IDEA, Part C; or
 - B. To supplement the level of state and local funds expended for an AzEIP eligible child and his/her family, and in no case to supplant those state and local funds.
- 5.1.3 AzEIP does not commingle IDEA, Part C funds with state funds.
- 5.1.4 AzEIP does not deny or delay Early Intervention Services to any child due to disputes between agencies regarding financial or other responsibilities.
- 5.1.5 AzEIP may use IDEA, Part C funds to pay the early intervention service provider for the following services, pending reimbursement from the agency or entity that has ultimate responsibility for the payment if necessary to prevent delay in receipt of appropriate Early Intervention Services to an eligible child or child’s family:
 - A. Early Intervention Services,
 - B. Functions of the child find system, and
 - C. Evaluations and assessments.

5.2 System of Payments

5.2.1 AzEIP includes in its system of payments:

- A. Private insurance,
- B. Public insurance or benefits,
- C. State funds,
- D. Local funds,
- E. Private donations and grant funding, and
- F. Federal funds as the Payor of Last Resort.

5.2.2 AzEIP does not include in its system of payments:

- A. Family fees,
- B. Co-payments, or
- C. Deductibles.

5.2.3 AzEIP does not charge fees for the following services that a child is required to receive at no cost to the family under IDEA, Part C:

- A. Child find and public awareness;
- B. Screening, evaluation and assessment and the functions related to them;
- C. Service coordination;
- D. Ongoing IFSP services; or
- E. Administrative and coordination activities related to:
 - 1) Development, review, and evaluation of IFSPs and interim IFSPs;
 - 2) Transition conferences;
 - 3) Implementing procedural safeguards, including dispute resolution; and
 - 4) Teaming activities on behalf of a family, as described in AzEIP contracts and agreements to provide a team-based approach to early intervention services.

5.2.4 AzEIP does not pay for or reimburse families for health insurance premiums.

5.2.5 AzEIP does not require families to sign up for or enroll in public benefits or insurance to receive early intervention services.

5.2.6 AzEIP requires consent to bill public health insurance only when:

- A. The responsible person or child is not already enrolled in the Arizona Health Care Cost Containment System (AHCCCS); or
- B. The use of the child's or responsible person's public benefit insurance benefits/insurance would:
 - 1) Decrease available lifetime coverage or any other insured benefit for the child or responsible person;
 - 2) Result in the responsible person paying for services that would otherwise be covered by the public insurance benefits;
 - 3) Result in any increase in premiums or discontinuation of public insurance benefit for that child or responsible person; or

- 4) Risk loss of eligibility for the child or the responsible person for home and community-based waivers based on aggregate health-related expenditures.

5.2.7 AzEIP makes available at no cost to the family all services identified on the IFSP to which the parent has provided consent if the parent does not provide consent to bill public benefits or insurance as specified in 5.2.6.

5.2.8 AzEIP maintains procedures with requirements for SPAs to implement Arizona's system of payments.

5.2.9 AzEIP maintains A Family's Guide to Funding Early Intervention Services in Arizona, containing Arizona's system of payments policies, including notification that:

- A. Parental consent must be obtained as specified in 5.2.6 before disclosing Personally Identifiable Information (PII) to AHCCCS or an AHCCCS contracted health plan;
- B. The state will make available services specified in 5.2.7 at no cost to the family;
- C. A parent has the right to withdraw their consent at any time to share their PII with AHCCCS or an AHCCCS contracted health plan at any time; and
- D. States the general categories of cost a parent may incur if they consent to use their insurance.

5.2.10 AzEIP monitors SPAs to ensure that:

- A. Families are provided with a copy of the system of payments through A Family's Guide to Funding Early Intervention Services in Arizona;
- B. Consent is obtained prior to billing private health insurance:
 - 1) Initially;
 - 2) Each time services increase in frequency, length, intensity, or duration; and
 - 3) When there is change of health insurance; and
- C. Requirements related to the use of public insurance benefits specified in 34CFR §303.520(a) are met.

5.3 Contracting or Otherwise Arranging for Services

5.3.1 AzEIP maintains an adequate provider network to provide Early Intervention Services by establishing the following in accordance with Arizona Revised Statutes, Arizona Rules, and any applicable federal law:

- A. Contracts;
- B. Vendor agreements;
- C. Intergovernmental Agreements;
- D. Interagency Service Agreements;
- E. Intra-agency Service Agreements; and
- F. Memoranda of Agreement or Understanding.

- 5.3.2 AzEIP maintains and posts on the website a billing manual that provides technical assistance and detailed standard work on billing Early Intervention Services.
- 5.3.3 AzEIP requires SPAs to seek reimbursement for Early Intervention Services provided to children who are AzEIP eligible and their families in accordance with:
- A. IDEA, Part C and its regulations;
 - B. Office of Management and Budget regulations;
 - C. The Education Department General Administrative Regulations in 34 C.F.R. part 80;
 - D. All Arizona standards, including applicable state laws;
 - E. Other applicable federal and state laws;
 - F. The specific terms and conditions of the contract, including applicable state and agency Terms & Conditions;
 - G. Technical assistance from the Office of Special Education Programs:
 - 1) Guidance,
 - 2) Policy clarification, and
 - 3) Memos; and
 - H. AzEIP policies and procedures.

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