



## Funding for Assistive Technology and Assistive Technology Services

Children with disabilities and special health care needs increasingly use **assistive technology (AT)** to promote independence and inclusion in activities available for all children. Assistive technology may be needed for a defined period of time, for a specific activity, or for a variety of activities throughout a person's life. AT can be as simple as a pencil grip so a child can learn to write or as complex as a motorized wheel chair for a person with limited mobility. In addition to the specific device needed to assist with specific tasks, **AT Services** are needed to teach the child, family members, and caregivers how to use, repair, fit, adapt, and maintain the device as necessary.

Consumers, including families, need to identify an array of financial resources that may help them fund specialized devices and services. Additionally they need to understand what the various resources will fund, for whom the funding is appropriate, and the documentation needed to insure funding. This information can be confusing, and for many families, difficult to access.

**Assistive technology (AT)** is defined as any item, piece of equipment or product, whether acquired commercially, off the shelf, modified, or customized, that is used to increase, maintain, or improve the functional capabilities of individuals with disabilities.

**Assistive Technology Services** are activities that enable an individual with disabilities to benefit from the appropriate AT. These can include the evaluation of the needs of a child; purchasing, leasing, or otherwise acquiring a specific device; selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing, or replacing specific devices; coordinating and using other services such as therapeutic, education, rehabilitation, and vocational; training or technical assistance to the child, family, or caregivers in the use of specific devices; and technical assistance or training for professionals or others who provide services to the child.

The purposes of this fact sheet are to describe a variety of funding sources for assistive technology available to children with disabilities and special health care needs and to describe the initial steps that families need to consider when investigating potential funding sources. This information is divided into four funding categories: Public (Government) Health Resources, Other Public (Government) Resources, Private Medical Insurance, and Community Programs.

### Public (Government) Health Resources

#### Medicaid

Children, pregnant women, and certain other individuals who meet income and resource requirements (including recipients of Temporary Assistance to Needy Families (TANF) and Social Security Insurance (SSI)) qualify for the Medicaid program. Through the Medicaid program, states use a combination of federal and state funds to help qualified individuals pay for medical care, including AT and AT services. Each state has the flexibility to define the specific eligibility requirements and the amount, duration, and scope of what will be covered. Information on each state's Medicaid eligibility and coverage policies and procedures is generally available from local health and/or welfare offices. Also, many state Medicaid programs require recipients to enroll in a managed care plan. These Medicaid managed care plans are able to decide what is medically necessary and thereby covered under their plan. Delaware, for example, covers AT that is determined to be medically necessary and must be:

- ◆ Prescribed by a physician
- ◆ Used to restore or approximate normal function of a missing or malfunctioning, or malformed body part
- ◆ Directly related to a diagnosed condition
- ◆ Expected to improve the user's ability to function

In other states, however, responsibility for AT and AT Services is separated ("carved-out") from the

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managed care plan and covered by the state Medicaid program directly.

### **Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)**

The EPSDT program is an important exception to the Medicaid rules for all enrolled children under 22 years of age. All medically necessary treatment services, including AT and AT Services, will be provided under EPSDT to children with certain medical conditions. Some states, however, will require prior authorization from the state program or a managed care organization, especially if a particular piece of equipment or service is not normally covered by that state's Medicaid program. The EPSDT program makes Medicaid an essential resource for all eligible children less than 22 years of age.

### **Medicaid Waivers**

States can ask Medicaid to waive certain provisions of the Medicaid regulations to meet the needs of certain groups of children. Waivers can increase eligibility for children with specific conditions such as developmental disabilities or improve coverage of AT and AT Services not normally included in Medicaid. Not all States have waivers, however and not all waivers cover the same populations. It is important to check if your state has a waiver and what it covers. For example, a state may have a home and community-based waiver to will help support children with complex medical needs to live at home. The technology dependent waiver can be used to support a limited number of children who use ventilators and other extensive life sustaining technology to live at home. Maryland has a waiver, in collaboration with the State Board of Education, to provide specialized services to children in special education who have autism.

### **State Child Health Insurance Program (SCHIP)**

SCHIP extends insurance coverage to low-income children whose family income is too high to qualify for Medicaid. States have two options. They can either extend Medicaid eligibility to this group of children or enroll these children in a separate, state-designed, insurance plan. When states use the first option then all of the Medicaid policies for children apply (including EPSDT). Under the second option states develop an insurance plan modeled after the insurance plan available to government workers in that state. In those states families have to determine each state's coverage policies for assistive technology under SCHIP.

### **TRICARE**

TRICARE is the Department of Defense's worldwide health care program for active duty and retired

uniformed services members and their families. Like many other health insurance programs TRICARE offers a managed care plan (TRICARE Prime), a preferred provider plan (TRICARE Extra), and a standard fee-for-service option (TRICARE Standard). If the fee-for-service option is chosen the family is responsible for much higher payments for deductibles, co-payments and other costs. TRICARE is a regionally administered program and each plan is given significant flexibility in determining what is covered and what is deemed medically necessary, including AT and AT Services. Families must contact the regional office for the option they choose to learn what and how assistive technology services are included.

### **Program for Persons with Disabilities (PFPWD)**

The Program for Persons with Disabilities (PFPWD) is a special benefit of TRICARE available to children who are family members of an active duty member of the military. PFPWD provides financial assistance to reduce the financial consequences of having a child with mental retardation or a serious physical disability while obtaining the specialized services that the child requires. Many forms of AT can be covered under this benefit for children who qualify. There is cost sharing and the amounts vary with the rank or pay grade of the parent in the military. TRICARE will pay as much as \$1,000 a month for PFPWD benefits. This benefit is not a stand-alone program, requires a separate application, and is subject to certain restrictions.

## **Other Public (Government) Resources**

### **Individuals with Disabilities Education Act (IDEA)**

Two components of the IDEA are a major resource for children and young adults up to age twenty-two. The Early Intervention Program for Infants and Toddlers with Disabilities (EI) serves young children from birth through age two and the Assistance to States for the Education of Children with Disabilities Program (Special Education) serves children from age three through twenty-one.

The Early Intervention Program provides services to meet the individualized needs of young children and their families. Each state has a toll-free (800) number for program information and to refer children for services. This information can also be found at sites across the state, often in local health departments or designated schools. Assistive technology and assistive technology services are considered early intervention services. Like all EI Services, AT is provided if the team deems that it is necessary to help meet the outcomes on the Individualized Family Service Plan (IFSP). Under the federal guidelines, funding for EI services (including AT and AT Services)

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can come from a variety of sources. EI funds may be used as last resort funding, if the family meets the state's cost participation guidelines, if the state requires cost participation. The Early Intervention program will collaborate with the family in identifying the payment sources. These sources can include the family's insurance policy.

Special Education and related services are available to children with a qualifying disability through each local school system, under Part B of IDEA. The purpose of this component of IDEA is to provide a free and appropriate public education to children whose disability is affecting their education or access to their education in the least restrictive environment. Services, including assistive technology and assistive technology services, that are needed by the student to receive a free and appropriate public education are described on the Individual Education Program (IEP) developed for each eligible child. The need for AT and AT Services must be considered at the time of IEP development or whenever the IEP is revised. If AT and or AT services are determined necessary to achieve the child's educational goals and objectives the school system is responsible for providing necessary equipment and services. The equipment must be used by the student to benefit from or have access to the special education program as delineated on the IEP in the least restrictive environment

Federal grants are given to states and other jurisdictions to assist them in meeting the costs of providing special education and related services to children with disabilities based on the number of children served each year. Unlike early intervention services, special education and related services must be provided at no cost to the family. No cost to the family means that the family cannot be charged for any of the services specified on the IEP.

### **Technology Related Assistance for Individuals with Disabilities (Tech Act)**

The Tech Act supports capacity building and advocacy activities to assist states in maintaining comprehensive programs of technology-related assistance for individuals with disabilities of all ages. States may provide financial assistance to statewide community-based organizations that in-turn provide services to children, or directly to individuals with disabilities. The purpose of this assistance is to increase participation of individuals with disabilities in home, school, work and community activities. In some states (e.g. Connecticut and North Dakota) the state partners with local banks to make low-income, unsecured loans available for the purchase of AT such as communication devices, adapted appliances

for accessible living, environmental control devices, modified housing, hearing aids, adapted computers, and specialized software.

## **Private Medical Insurance**

Generally, health insurance coverage, such as indemnity (fee for service) policies or managed care plans, will reimburse for some categories of assistive technology. However, the rules concerning what is covered, how to obtain the covered equipment and services, and how much of the cost is paid by the insurer vary tremendously among the type of third party payer and for each plan within that type of insurance. Also, there is no agreement on which AT should be considered an educational service not covered by insurance and what is reimbursable as a health or medical service. Two terms (managed care plans, medical necessity) are used in health insurance plans to define what will be covered.

Managed care plans (including health maintenance organizations, preferred provider organizations, and point of service plans) are designed to contain costs. They generally have a restricted list of providers, including those responsible for assistive technology, and pre-approval is often required for specialty services, including many forms of AT Services. There is almost always a defined amount that the consumer must contribute to the cost of each service. Each policy is unique so families should review the provisions of their plans carefully.

Most plans require any service or equipment to be determined "medically necessary" before the plan will accept payment responsibility for that service. They often require documentation that the service or device is needed to treat a medical condition that is covered under their policy and is not necessary for educational, rehabilitative, or for some other non-medical purpose. Collaboration among service providers, families, and insurance carriers is crucial to assure payment and avoid unnecessary conflict.

While no generalizations can be made, one thing to remember is that many families receive insurance coverage through an employer. The employer (who is paying for some or most of the coverage) is the purchaser of the insurance and, therefore, can exert influence over what is covered by the policy. If a family is denied coverage for AT by the insurer, the employer can request the insurance plan to change its decision and to cover the needed service. Explaining to the employer the benefits of the specific AT needed for the employee's child with special needs, both in cost savings and better health care outcomes, may result in expanded coverage for AT services.

## Community Resources

Every community has its own resources that can help an individual or family obtain needed assistive technology. This is especially true for newly developed and/or untested forms of AT that have not yet been picked up by some of the major funders discussed above. They will always be important to demonstrate new technologies and to provide services when there are no other funds available. Many public (or government-supported) programs will provide equipment and training or try to assist children to obtain the AT they need. These can include child welfare agencies, Head Start programs, agencies serving children with developmental disabilities, Children with Special Health Care Needs programs, University Centers for Excellence in Developmental Disabilities, foster care agencies, etc.

There are also a number of civic and voluntary health agencies in every community that help people with disabilities and other special needs. Local chapters of various disability agencies such as United Cerebral Palsy, The ARC, Easter Seals, Muscular Dystrophy Association, and Brain Injury Association help people with certain conditions obtain AT. In addition, a large number of other groups in the community provide AT support such as foundations, United Way, religious organizations, toy-lending libraries, fraternal organizations (Elks, Shriners, Kiwanis), and many more. These organizations raise fund through endowments, fees, direct fundraising appeals, auctions, and other charity events.

Many community resources can be identified by talking with parents or other family members who have been successful in identifying funding and obtaining assistive technology for their children. Several of the community programs described above sponsor parent and family support groups for different conditions. Also, there are a number of organizations that provide information, support, and assistance to parents and family members such as Parent Training and Information Centers, Family Voices chapters, and protection and advocacy agencies.

## Conclusion

Children with disabilities are increasingly using assistive technology to extend their participation in a wide variety of educational, social, and recreational activities. Identifying funds for AT and AT Services can be a major barrier in obtaining appropriate devices and services. Family members, caregivers, service providers, and child advocates should become aware of the extent and scope of funding possibilities. They

## Online Resources

NECTAC Clearinghouse on Early Intervention and Early Childhood Special Education:  
[www.nectac.org/topics/atech/funding.asp](http://www.nectac.org/topics/atech/funding.asp)

United Cerebral Palsy Association: [www.ucp.org/ucp](http://www.ucp.org/ucp)

Neighborhood Legal Services: [www.nls.org/specedat.htm](http://www.nls.org/specedat.htm)

Journal of Special Education Technology:  
<http://jset.unlv.edu/15.4>

National Council on Disability:  
[www.ncd.gov/newsroom/publications/assistive.html](http://www.ncd.gov/newsroom/publications/assistive.html)

RESNA Technical Assistance Project: [www.resna.org/taproject](http://www.resna.org/taproject)

Center for Medicare and Medicaid Services, Welcome to Medicaid: [www.cms.hhs.gov/medicaid/default.asp](http://www.cms.hhs.gov/medicaid/default.asp)

TRICARE Online: [www.tricareonline.com](http://www.tricareonline.com)

Easter Seals: [www.easterseals.com/site/PageServer](http://www.easterseals.com/site/PageServer)

need to be able to justify and document the need for (and the medical necessity of) AT and AT Services. Knowledge of the wide variety of financial resources and of the characteristics of these sources of funds for AT and AT Services will lead to greater integration of children with disabilities into society.

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*The Consortium Consumer Briefs cover critical topics for children and youth with disabilities and special health care needs. The research and training activities conducted by the Consortium focus on access to pediatric rehabilitation issues, health plan utilization, best practices in health care transition, the use of telehealth in rural settings, as well as assistive technology services.*

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*For further information on the Consortium for Children and Youth with Disabilities and Special Health Care Needs, its partners or projects, please visit our website at [www.gucchd.georgetown.edu/consortium](http://www.gucchd.georgetown.edu/consortium)*



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