

Medicaid Annual Reinvestment Report Title 16 V.S.A. 2959a

Effective Date: February 1, 2007

School districts are able to submit Medicaid claims for some of the IEP services provided to students. This only applies to students who are enrolled in Medicaid and only if approval is obtained from the student's legal guardian. To be claimable under Medicaid, the service has to fall under categories allowed for the School-Based Health Service Program under the Medicaid State Plan and is deemed medically necessary by a physician. Also the service must be provided by or performed under the direction of an appropriately credentialed service provider based on Medicaid criterion

.As the bulk of costs of the special education services provided are eligible for State funding formula reimbursement, the revenue generated by the School-Based Health Services claims is divided between the supervisory union submitting the claim and the State Education Fund. Supervisory Unions under Title 16 V.S.A. 2959a receive half of the funds generated by their resident students in the form of a grant. To distribute these funds, the Department of Education prepares monthly grant awards using revenue code 5481. The law requires:

Unless the supervisory union has agreed to use the funds to operate a supervisory unonwide program or distribute the funds in a different manner, upon receipt, the supervisory union shall distribute the funds to its member school districts based on how the funds generated.

The law also limits how supervisory unions and their member school district use the funds under subsection (e):_

(e) School districts shall utilize funds received under this section to pay for reasonable costs of administering the Medicaid claims process, and for prevention and intervention programs in grades pre-K through 12. The programs shall be designed to ensure all students achieve rigorous and challenging standards adopted in the Vermont framework of standards and learning opportunities or locally adopted standards. A school district shall provide an annual written justification for the commissioner of education of the use of the funds. Such annual submission shall show how the funds' use is expressed linked to those provisions of the school district's action plan that directly relate to improving student performance.

The above law requires Lamoille North Supervisory Union to complete the Medicaid Annual Reinvestment Report and deliver it by hard copy and electronic copy to the Vermont Department of Education by August 15th each year. The following actions are a joint responsibility of both Student Support Services and the Finance Team.

- By September 30th, the Accountant assigned to the school district will communicate with the building Principal, concerning the amount of Medicaid funds to be used for prevention and intervention programs in grades pre-K through 12 that they have to spend in the fiscal year. They will also confirm which costs these funds will be coded to.
- School District Principals can obtain the forms needed to complete this report from Central Office or from the [Vermont Department of Education website](#).
- By May 1st, the Director of Student Support Services or the Medicaid Clerk will communicate with each building Principal, the projection of the amount of Medicaid funds spent that fiscal year and information regarding Part II, Part III and the school district's action plan that is needed to complete this report.
- All completed Part II and Part III sections of the report plus the school district's action plans need to be sent to the Director of Student Support Services by June 30th in both hard copy and electronically.
- The Director of Student Support Services confirms the receipt of all school's information and verifies that expenditures reported by the schools meet the requirement of the law. The Director of

Student Support Services finalizes the report. (All school district's reports for Part II and Part III need to remain separate).

- The Director of Student Support Services sends the completed Part IIs and Part IIIs to the Medicaid Clerk.
- The Accountant responsible for the Medicaid Fund receipts for LNSU will complete Part I and send electronically to the Medicaid Clerk by July 31st.
- The Medicaid Clerk will verify that expenditures reported by the schools are coded correctly in NEMRC.
- The Medicaid Clerk will finalize the report and assure the report in full is submitted electronically and hard copy to the Vermont Department of Education by August 15th.
- Copies of completed reports will be kept on file electronically in the shared folder: Shared Finance and Student Support Services file and hardcopy in the office of the Assistant to the Director of Student Support Services.



[Back to Procedure Menu](#)