Overview

This bill modifies procedures for the provision and reimbursement of special education services covered under Medical Assistance (MA).

1 **License and rules.** Amends § 122A.09, subd. 4. Requires the board of teaching, when adopting rules to license teachers who provide health-related services to disabled children, to adopt rules consistent with the license or registration requirements of the health-related boards who license personnel who perform similar services outside of the school.

2 **School district obligations.** Amends § 125A.08. Requires the individual education plan team to consider, and allows the team to authorize, services covered by MA under § 256B.0625, subd. 26. Requires compliance with this and related requirements to the extent required by federal law as of July 1, 2000 (current law requires compliance as of July 1, 1999).

3 **Obligation to pay.** Amends § 125A.21, subd. 1. Requires school districts to pay the nonfederal share of MA services provided according to § 256B.0625, subd. 26. Specifies that expenditures must not be made from federal funds or funds used to match federal funds, and that federal disallowances are the responsibility of the school district.

4 **Eligibility.** Amends § 125A.74, subd. 1. In order to receive MA payments, requires school districts that are providers to pay the nonfederal share of MA services provided according to section 256B.0625, subd. 26.

5 **Funding.** Amends § 125A.74, subd. 2. Strikes language stating that school districts are not required to provide matching funds or pay part of the cost of services, when a school district provides a covered service.

6 **Implementation.** Amends § 125A.744, subd. 3. Requires school districts to be reimbursed by the commissioner for the federal share of services for special education services covered under MA, minus 5 percent retained by the commissioner for administrative costs. Strikes language related to MA services and prepaid health plans.
Special education base revenue. Amends § 125A.76, subd. 2. Includes as part of the special education base revenue for FY 2001 and later costs related to district expenditures for the nonfederal share of MA services according to section 256B.0625, subd. 26.

Monitor medical assistance services for disabled students. Adds § 127A.11. Requires the commissioner of children, families, and learning, in cooperation with the commissioner of human services, to monitor the costs of health-related, special education services provided by public schools.

Coordination with board of teaching. Adds § 214.045. Requires the commissioner of health and the health-related licensing boards to coordinate with the board of teaching when modifying licensure requirements for regulated persons in order to have consistent requirements for personnel who perform services in schools.

Special education services. Amends § 256B.0625, subd. 26. Makes the following changes related to MA coverage of special education services:

- Specifies covered services.
- States that the nonfederal share of costs is the responsibility of the local school district.
- Provides that approval of health-related services for inclusion in the individual education plan satisfies MA prior authorization requirements.
- Requires the commissioner to develop and implement package rates, bundled rates, and per diem rates for special education services, and to seek necessary federal waivers.
- Requires the commissioner to develop a cost-based payment structure for these services.
- States that MA services provided under an individual education plan or an individual family service plan shall not count against MA authorization thresholds, effective July 1, 2000.

Individualized education plan and individualized family service plan services. Requires the commissioner to amend the federal waiver allowing the state to separate out individual education plan and individualized family service plan services. Effective July 1, 1999, or upon federal approval, provides that MA coverage of these services shall not be included in PMAP or MinnesotaCare. Upon federal approval, requires school districts to bill the commissioner for these services, and requires claims to be paid on a fee-for-service basis.

Expansion of special education services. Requires the commissioner to examine opportunities to expand the scope of providers eligible for reimbursement of MA services listed in a child's individual education plan, to complete these activities by December 15, 1999, and to seek necessary federal approval.

Effective date. States that sections 2 to 7, and 10, are effective July 1, 2000.