Guidance Regarding School Districts and Education Service Districts School Based Health Services Medicaid Billing.  
Issued May 15, 2018

Why is ODE and OHA providing this Guidance?
The Oregon Department of Education (ODE), in consultation with the Oregon Health Authority (OHA) and the Oregon Department of Justice (DOJ), is issuing this guidance to clarify which Local Education Agencies (LEA) qualify for Medicaid reimbursement for K-12 School Based Health Services (SBHS).  SBHS, provided by a school district as an enrolled school medical (SM) provider, is a cost-sharing program in which a government entity (Public Fund Agency) provides the non-federal share of the claimed amount using public funds.  A school district enrolled with OHA as a SM provider can bill and receive Medicaid reimbursement for allowable school based health services, provided by a licensed health professional to a Medicaid eligible student who is IDEA eligible.  In order to bill SBHS Medicaid, the health service must be identified on the student's Individualized Education Plan (IEP).

Who Has Billing and Reimbursement Authority for K-12 SBHS Services?  It has been brought to the attention of the ODE that both educational service districts and school districts are currently being reimbursed by Medicaid for K-12 SBHS.  Only School districts approved by the State Deputy Superintendent of Public Instruction under Oregon Administrative Rule (OAR) 581-015-2005 meet the criteria to provide IDEA services to K-12 students qualifying the school district for state reimbursement for K-12 IDEA SBHS Medicaid.

What is the Criteria for Approving School District Special Education Programs?
Per the School Medical Provider Agreement Attachment, a school district must meet the criteria for the provision of special education programs approved by the State Superintendent of Public Instruction qualifying such programs for state reimbursement under OAR 581-015-2005.

OAR 581-015-2005
Criteria for Approving School District Special Education Programs
(1) School districts operating or initiating special education programs must have their programs approved by the State Superintendent of Public Instruction in order to qualify such programs for state reimbursement. As part of this process, districts must subscribe to the following:
(a) In accordance with OAR 581-015-2245, school districts must ensure that a continuum of alternative placements is available to meet the individual special education and related services needs of all children with disabilities for whom the district is responsible pursuant to ORS 339, OAR 581-021-0019, or open enrollment under section 9, chapter 718, Oregon Laws 2011. For all school purposes residency for children with disabilities enrolled in charter schools is determined in accordance with ORS Chapter 338.
(b) Special education must be established and conducted as an integral part of the district's regular school program.
(c) Children who require special education have the same rights and privileges provided to other students.
(2) In addition, the school district must have on file with the Oregon Department of Education a set of assurances and other documentation as required that ensure district compliance with requirements set forth in Oregon Revised Statutes and Oregon Administrative Rules for the education of children with disabilities.

What is the Criteria for Approving Medicaid reimbursement for ODE Contracted EI/ECSE services?
Contracted EI/ECSE programs services are able to continue billing SBHS Medicaid in conformity with Oregon Revised Statute (ORS) 343.475, an Intergovernmental Grant Agreement with ODE authorizes an Educational Agency (EA) to provide services to preschool children (EI/ECSE birth to age 5) with disabilities or at risk of developing disabling conditions. Similarly, ORS 191.110, and 343.236 authorizes an EA to provide special education directly or through other entities as a "Regional Program."

What Happens Next?
By May 31, 2018, OHA will post an amended SM provider attachment updated with new agreed upon language to clearly define criteria for state reimbursement for Medicaid covered SBHS for K-12 IDEA services, as well as contracted services provided to preschool children for EI/ECSE and children eligible for Regional Program services.

What You Need To Do?
School Districts seeking Medicaid reimbursement for SY 2018-19 SBHS K-12 must update their provider enrollment, including the new updated SM provider attachment, and qualify as a school medical provider by August 31, 2018. The OHA’s new Provider Enrollment Attachment form delineates state reimbursement criteria for SBHS K-12 and EI/ECSE. School Districts and Educational Service Districts may update a separate enrollment and SM Attachment form for each School Medical Provider Number for each program for which they qualify. Education Service Districts will not be eligible for reimbursement for K-12 SBHS.

September 1, 2018 will be the effective date for K-12 services leveraging Medicaid reimbursed to school districts authorized by ODE per OAR 581-015-2005 as eligible for Medicaid reimbursement under SBHS. All Medicaid reimbursements will be made directly to the enrolled school district. OHA will continue to allow 12 months from the date of service for School Districts and Education Service Districts bill and seek reimbursement for the 2017-18 school year.

For questions, please contact:

Ely Sanders
School Medicaid Program Specialist
Oregon Department of Education | Student Services
503-947-5904 | www.oregon.gov/ode