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Ed. Department Eases School Access to Medicaid Funds

By [Christina Samuels](#) on February 12, 2013 6:27 PM

School districts now only need to get written consent one time from parents in order to tap Medicaid funds for some students with disabilities, according to [new regulations](#) from the U.S. Department of Education that will go into effect March 18.

Occupational therapy, physical therapy, speech therapy, and mental health counseling are among the services that schools provide that are potentially reimbursable through Medicaid, if a Medicaid-eligible student requires them through his individualized education program. But since 2006, regulations in the Individuals with Disabilities Education Act [has required that schools get permission "each time" they attempt to get a Medicaid payment.](#)

The National Alliance for Medicaid in Education has said the requirement has been [expensive and burdensome](#) for schools and districts. When the education department first proposed changing the rule, way back in September 2011, [it cited data from the alliance](#) that said some districts had sustained extensive administrative costs. Some districts chose not to seek reimbursement rather than continually ask for consent.

Michael Yudin, the acting assistant secretary for special education and rehabilitative services, said in a conference call today that the department is trying to balance cutting the burden to districts while ensuring parents are aware of their rights. Under the new regulations, schools must make clear when seeking consent that personally identifiable information may be disclosed to Medicaid, and that withdrawal of consent does not relieve the school of the requirement to provide therapeutic services for no cost if required under an IEP. The written consent is enforceable for the entire time a child is enrolled in a school district, but the district must send a notification to the parents each year reminding them of their privacy rights and right to withdraw consent.

Sasha Pudelski, the government affairs manager for the American Association of School Administrators in Alexandria, Va., said that the change in regulations is welcome. "We fought long and hard for this," she said.

John Hill, the governmental affairs chairman for the Medicaid in Education Alliance and an educational consultant at the Indiana Department of Education, said that trying to undo a regulation in place was a challenge. "We were naively hopeful that it would be completed at the beginning of the school year," Hill said. "But it's done, and we're excited that it's done."

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