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PUPIL SERVICES

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MEMORANDUM

To: Dr. Sargent
From: Mrs. Tucker
Date: January 26, 2015
Re: Special Education Medicaid Initiative (SEMI) Waiver

The purpose of the SEMI program is for districts to recover a portion of the costs for certain Medicaid covered services provided to Medicaid eligible special education students. The Department of Education has provided guidance indicating that due to the complicated record keeping and accounting procedures necessary to implement the program, schools with fewer than 40 students will not maximize the benefits and can request a waiver of the participation requirement. In compliance with recent regulations, it is my recommendation that our district apply for a waiver of the requirements to maximize the Special Education Medicaid Initiative (SEMI).

My recommendation is based on the following information:

1. According to the data provided by the New Jersey State Department of Education, Readington is *estimated* to have 25 students who are eligible for participation in the Special Education Medicaid Initiative. The Department of Education *estimates* that if the district participates in the program we would be eligible for \$9,680.65 in projected revenue.
2. On our October 15 count we identified a total of 122 students eligible for Free or Reduced Lunch, 35 of the students were also eligible for special education services. Based on our demographics it is not likely that 25 of the students eligible for both special education and free or reduced lunch are also eligible for Medicaid.
3. During the 2008-2009 school year Readington participated in the SEMI program. At that time, the Department of Education projected that our revenue would be \$3,859. We identified a total of 16 students who were SEMI eligible. After following all procedures for documenting services and IEP meetings and completing the laborious process of applying for reimbursement, the district received a total of \$571.81, far less than the estimated revenue projected by the Department of Education.

Based on the above evidence, the district will have fewer than 40 Medicaid eligible classified students for the 2015-2016 school year. Efforts to participate in SEMI will not provide a cost benefit to the district based on the revenue projection formula. (One IEP meeting per student per year at a rate of \$298.09 and 18 direct services per student per year at a rate of \$10.33 for each date of service). As such, I recommend that we request a waiver of the SEMI requirements for the 2015-2016 school year.