

**SENATE . . . . . No. 280**

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The Commonwealth of Massachusetts

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**In the Year Two Thousand Nine**  
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An Act to increase special education reimbursement.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Methodology - Notwithstanding any general or special law to the contrary,  
2 the Secretary of Health and Human Services is hereby authorized and directed to, in consultation  
3 with the University of Massachusetts, change the methodology by which the Commonwealth  
4 seeks reimbursement from the federal Medicaid program for students educated pursuant to  
5 Chapter 71B of the General Laws from the current “per diem” format, so-called, to a “fee-for-  
6 service” format, so-called.

7           SECTION 2. Certification of Increased Reimbursement – Not later than thirty days  
8 following the initial receipt of funds pursuant to the “fee-for-service” methodology and in  
9 periods of not more than ninety days thereafter, the Secretary shall certify the amount by which  
10 reimbursement received using this methodology exceeds the amount which would have  
11 otherwise been received, taking into account inflation and any other relevant factors. Such excess  
12 amount shall be deposited into the Special Education Assistance Fund established herein.

13 SECTION 3. There shall be established and set up on the books of the Commonwealth  
14 the Special Education Assistance Fund, into which shall be deposited sums resulting from federal  
15 Medicaid reimbursement pursuant to subsection (b) of this section.

16 Not less than sixty percent of the total amount in said fund shall be appropriated annually  
17 for the purposes of assisting municipalities and regional school districts with the cost of  
18 transportation of students provided pursuant to Chapter 71B of the General Laws. Said  
19 appropriation shall be made in a form designed to ensure equity among students and local  
20 educational authorities by utilizing a methodology based on a uniform percentage of eligible  
21 transportation costs to be compensated.

22 The remainder of said fund shall be available for appropriation in the form of grants of  
23 assistance to private institutions providing educational services pursuant to Chapter 766 of the  
24 Acts of 1972 and its implementing regulations.

25 SECTION 4. The Secretary of Health and Human Services, the Secretary of  
26 Administration and finance and the Commissioner of the Department of Education, in  
27 consultation with the University of Massachusetts, shall develop a system of acquiring from  
28 municipalities and regional school districts the information necessary to utilize a fee-for-service  
29 method of reimbursement from the federal Medicaid system following the passage of this act and  
30 prior to a request for a change in reimbursement methodology to the federal government.

31 Said system shall be designed to maximize efficiency and minimize the cost and burden  
32 of compliance for municipalities and regional school districts.