

SENATE No. 280

The Commonwealth of Massachusetts

In the Year Two Thousand Nine

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.