



Indiana Department of Education 2019 Legislative Priority

Allow schools to retain 100% of their Medicaid program funds

In 1994, Indiana passed legislation creating a program for public school corporations to access federal Medicaid funds “with the intent to share the costs of services that are reimbursable under the Medicaid program and are provided to eligible children by the school corporation.” Shortly after implementation, Indiana changed this statute (IC 12-15-1-16) to require the State to retain 3% of the federal Medicaid funds claimed by public school corporations, “to be distributed to the state general fund for administration of the program and...for consulting to encourage participation in the program.” The Indiana Department of Education recognizes that schools bear the costs of providing specialized medical services to applicable students and believes schools require 100% of the available Medicaid reimbursement to best serve all students.

Quick Facts

- ❑ There are 173 Indiana school corporations claiming Medicaid reimbursement.
- ❑ These unrestricted federal dollars address funding issues by helping schools pay for costly equipment, supplies, educator and parent training, and staff salaries.
- ❑ If this 3% provision is removed from statute, these corporations would see an additional \$355,000 to support related services for eligible students.
- ❑ Schools’ Medicaid reimbursements are typically used for costly items such as:
 - ❑ Copyrighted protocols and test kits for speech-language pathologists and school psychologists to evaluate student needs;
 - ❑ Communication devices used by students with disabilities;
 - ❑ Technology used by therapists, nurses, and psychologists that provides direct services to students with disabilities in multiple school buildings; and
 - ❑ On-site clinic services to reduce both student and staff absenteeism for needed medical care.