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For Immediate Release

September 25, 2007 – No. 49

**Disabled Students Target of
Proposed Elimination of Federal Medicaid Reimbursements**

500 California school districts to lose more than \$100 million

West Sacramento, CA – Students with disabilities are under attack by the U.S. Department of Health & Human Services and the Centers for Medicare and Medicaid Services with the formal release of proposed regulations to eliminate reimbursement for Medicaid expenditures for school-based administrative activities and special education transportation services. The California School Boards Association, along with a coalition of school advocacy organizations, is working to prevent the more than \$3.6 billion over five years in federal Medicaid reimbursements from vanishing from school districts across California and the nation. Were these regulations to go into effect, California would lose more than \$100 million.

“The Centers for Medicare and Medicaid Services’ proposed funding elimination is a direct assault against the students who need assistance the most,” said Dr. Kathy Kinley, president of CSBA. “This proposed cut would be a step backward in ensuring that students with special needs are provided the resources necessary to succeed in their education.”

Funding for the Medicare Catastrophic Coverage Act of 1988 (Act) was eliminated in the proposed 2008 Federal Budget. Under the Act, school districts are allowed to receive reimbursement from Medicaid for health services delivered to Medicaid-eligible children with disabilities who may need diagnostic, preventive and rehabilitative services; speech, physical and occupational therapies; and transportation for such services.

“Our students should not be on the cutting board by CMS,” said Scott P. Plotkin, executive director of CSBA. “We should not be punishing our students with disabilities by taking away crucial federal funding that pays for vital services.”

In addition, school districts may claim reimbursement for the administrative costs of providing school-based Medicaid services such as outreach for enrollment purposes, and coordination and monitoring of medical care. In California, Medicaid expenditures for school-based services totaled nearly \$100 million in 2006.

“CSBA will continue to work with its members, Congress, and other stakeholders to pressure the federal government into backing down from its proposal and to clarify school districts’ authority to claim for school-based Medicaid expenses,” said Dr. Kinley.

The public can comment on the proposed rule, CMS-2287-P, at www.cms.hhs.gov/eRulemaking until Nov. 6.

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CSBA is a nonprofit association representing nearly 1,000 K-12 school districts
and county offices of education throughout California.

www.csba.org