Section 14 Matching and Supplementing Funds for Special Education Programs and Services

Use of Federal Matching Funds Under the Medicaid (Title XIX) or Children's Health Insurance (All Kids; Title XXI) Program to Supplement Special Education Programs and Services (if the School District is Participating in One or More of those Federal Programs); Supplementation of State, Local, Other Federal Funds; Maintenance of Financial Support.

A. The School District may look to non-educational entities, such as Medicaid and insurance programs, to pay for required special education services for which such entities are otherwise responsible.

B. The School District will use federal matching funds received under Medicaid or a children's health insurance program (e.g., State Children's Health Insurance Program, known as All Kids in Illinois) only to supplement special education programs and services.

C. In seeking matching funds under Medicaid or a children's health insurance program, the School District:

1. May not condition a child's receipt of FAPE on their Parent(s)' enrollment in Medicaid or insurance programs;
2. May not require Parent(s) to incur an out-of-pocket expense (e.g., payment of a deductible or co-pay amount) for services rendered in providing FAPE, except the School District may use Part B funds to pay the Parent(s)' costs for such services;
3. May not use a child's Medicaid or health insurance benefits if such use would:
    a. Decrease available lifetime coverage or any other insured benefit;
    b. Result in the family paying for services that would otherwise be covered by Medicaid or health insurance and that are required for the child outside of the time the child is in school;
    c. Increase premiums or lead to the discontinuation of benefits or insurance; or
    d. Risk loss of home and community-based waiver eligibility, based on aggregate health-related expenditures;
4. Must obtain voluntary, informed, written parental consent prior to accessing Medicaid or insurance benefits for the first time, and
5. Prior to accessing Medicaid or insurance benefits for the first time, and annually thereafter, must provide written notification to the Parent(s) that includes:

a. A statement of the parental consent provisions of 34 C.F.R. §§99.30, 300.9 and 300.622;
b. A statement of the "no cost" provisions of 34 C.F.R §300.154(d)(2)(i)-(iii);
c. A statement of the Parent(s) right to withdraw their consent to disclosure of their child's student record information to Medicaid or other insurance programs at any time; and
d. A statement that the withdrawal of or refusal to provide consent to disclosure of their child's student record information to Medicaid or other insurance program does not relieve the School District of its responsibility to ensure that all required services are provided at no cost to the parents.

6. Except as otherwise permitted by law, funds provided to the School District under the IDEA, Part B, shall be used to supplement the level of federal, State, and local funds (including funds that are not under the direct control of the School District) expended for the provision of special education and related services provided to children with disabilities, and in the case to supplant those federal, State and local funds.
7. Except as otherwise permitted by law, the School District will not reduce the amount of federal support for special education and related services for children with disabilities, or otherwise made available because of the excess costs of educating those children, below the amount of that support for the preceding year.

LEGAL REF.: 34 C.F.R. § 300.154 (methods of ensuring services).
34 C.F.R. § 300.162 (supplementation of state, local, and other federal funds
34 C.F.R. § 300.163 (maintenance of financial support)
23 Ill. Admin. Code § 226.770 (fiscal provisions).

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