

The Use of Medicaid Benefits by Local Education Agencies (LEAs)

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Speech-Language Pathologists (SLPs) who are licensed by ABESPA are often asked to file for Medicaid reimbursement on behalf of the school system. Some SLPs have questioned the legality of this procedure. The following are pertinent excerpts from the Alabama Medicaid Agency Provider Manual, Chapter 103:

103 Local Education Agencies (LEAs)

“Changes in federal law have made it possible for state education agencies to finance health-related education services through Medicaid and private insurance companies. Medicaid works with the State Department of Education, Special Education Services (SES), and the Local Education Agencies (LEAs) throughout the state to reimburse for these services.”

“...Regulations implementing the Individuals with Disabilities Education Act of 2004 require that school districts secure parental permission prior to billing Medicaid for services provided by the school districts. The regulation can be found at 34CFR 300.154(d).”

“In summary, Congress has established that while State education agencies are financially responsible for educational services, in the case of a Medicaid eligible child, State Medicaid agencies remain responsible for the “related services” identified in a child’s IEP if the services are covered under the State’s Medicaid plan.”

103.1.2 Recipient Signature Requirement

“Medicaid recognizes that the parents do not take their children to school each day; therefore, it would be impossible to obtain a parental signature for each date of service. To meet Medicaid’s recipient signature requirement, the LEA must have the following:

- An IEP signed by the parent or responsible guardian that indicates the services the student will receive (for example, speech therapy three times a week for nine months)
- An attendance record that reflects the student was in attendance for the date of service”

103.2 Prior Authorization and Referral Requirements

“Services provided through an LEA do not require EPSDT, prior authorization or Patient 1st referral.”

103.3 Cost Sharing (Copayment)

“Co-payment does not apply to services provided through LEA providers.”

103.5.10 Speech/Language Services

“Service Description: Speech/language therapy services necessary for the development of the student's IEP or documented in the student's IEP include, but are not limited to:

1. Diagnostic services
2. Screening and assessment
3. Preventive services
4. Corrective services

Speech therapy services may be provided in an individual, group or family setting. The number of participants in the group should be limited to assure effective delivery of service.”

Professional Qualifications: “Must have a Certification of Clinical Competence in Speech Language Pathology or be eligible for certification and licensed by the Alabama Board of Examiners for Speech, Language Pathology, and Audiology. Speech Therapy Assistants must have a bachelor's degree in Speech Pathology, and be registered by the Alabama Board of Speech, Language Pathology, and Audiology. The licensed speech pathologist must document direct observation of at least 10% of all clinical services provided by the assistant. Speech therapists may supervise no more than the equivalent of two full-time assistants concurrently. All services must be performed within the scope of services as defined by the licensing board.”

Procedure Codes:

(Paraphrased) The following are the billable services that SLPs may provide:

Procedure Code/Modifier Description Daily Limits Annual Limits

Evaluation of speech, language, voice, communication, and/or auditory processing; treatment of speech, language, voice, communication, and/or auditory processing disorder; individual; treatment of speech, language, voice, communication, and/or auditory processing disorder; group 2 or more individuals.

Many SLPs have expressed dissatisfaction with the fact that they do not see a direct benefit for the extra work that the filing procedures require. It is a LEA decision as to whether Medicaid is filed. The designated use of additional revenue is also a local decision. Examples of ways LEAs have used some of the extra money include paying for ABESPA licensure fees for SLPs, paying for SLPs to attend continuing education activities such as the SHAA convention to help with the cost of CE requirements that are mandatory for license renewal, purchasing additional equipment such as laptop computers and software, and paying for clerical assistance for SLPs. This is not an exhaustive list by any means. Other LEAs have placed the money into the Special Education budget to help offset the overage costs for specific therapies such as Lovaas Therapy or Auditory Verbal Therapy. Still other LEAs have placed the money into the general fund. I want to reiterate that the use of the money is a local decision.

A Speech-Language Pathologist may not be forced to use his/her ABESPA license to file for Medicaid. The SLP has proprietary rights to the license and must consent to file on behalf of the LEA. As the above excerpts from the Alabama Medicaid Agency

Provider Manual indicate, it is the intent of Congress to allow LEAs to file for Medicaid to help offset some of the overage costs of special education services through the use of Medicaid benefits. Congress is well aware that IDEA funding fails to cover the expenses of children with special needs and has offered Medicaid revenue as assistance to LEAs. For those SLPs who question the legality of using Medicaid funds, I hope the above information helps to address your concerns. For those SLPs who do not see the benefit in completing the extra paperwork, you must consider whether you want to provide the extra income for your LEA. It is your decision. However, if you decide not to file on behalf of your LEA, the LEA has no obligation to pay for you to attend out-of-system programs where continuing education hours may be earned to maintain licensure.

A new resource is available from ASHA regarding the Medicaid issue. The following paragraph appears on the ASHA website and the link within the paragraph provides valuable information. "Speech-language pathologists and audiologists now have a new resource at their fingertips to help understand the differences between federal Medicaid and Individuals with Disabilities Education Act (IDEA) regulations. This new Web-based resource, [*ASHA's Medicaid/IDEA Side-by-Side*](#), will provide easy to access information on such areas as provider qualifications, supervision requirements, documentation requirements, and patient confidentiality. In addition, the *Side-by-Side* offers links to relevant resources on ASHA's Web site." I urge you to read the valuable resource and share it with all interested parties.