

256B.15 Reimbursement for special education services.

1. The state board of education in conjunction with the department of education shall develop a program to utilize federally funded health care programs, except the federal medically needy program for individuals who have a spend-down, to share in the costs of services which are provided to children requiring special education.

2. The department of education shall designate an area education agency to develop a system for collecting the information necessary to implement procedures for billing and collecting the costs of the services. The area education agency shall begin to develop the system immediately. The area education agency shall consult with and work jointly with state agencies and federal agencies to determine procedures and standards which shall be initiated by all area education agencies to qualify for receipt of benefits under federal programs.

3. The department of education, in conjunction with the area education agency, shall determine those specific services which are covered by federally funded health care programs, which shall include, but not be limited to, physical therapy, audiology, speech language therapy, and psychological evaluations. The department shall also determine which other special services may be subject to reimbursement and the qualifications necessary for personnel providing those services. If it is determined that services are required from other service providers, these providers shall be reimbursed for those services.

4. All services referred to in [subsection 1](#) shall be initially funded by the area education agency and shall be provided regardless of subsequent subrogation collections. The area education agency shall make a claim for reimbursement to federally funded health care programs.

5. Not later than July 1, 1988, the area education agency designated by the department of education shall have developed the program for collecting for the services provided. The program shall be distributed to all of the area education agencies in the state. All area education agencies shall begin collecting the information on July 1, 1988.

6. Effective November 1, 1988, all area education agencies in the state shall participate in the program and begin billing for and collecting for the covered services and shall bill for services provided retroactive to July 1, 1988. Retroactive Tit. XIX billing is contingent upon state plan approval. Nothing contained in [this section](#) shall be construed to allow nonlicensed individuals to perform services which otherwise require licenses under the laws of this state or to allow licensed providers to perform services outside their scope of practice.

7. The area education agencies shall transfer to the department of health and human services an amount equal to the nonfederal share of the payments to be received from the medical assistance program pursuant to [chapter 249A](#). The nonfederal share amount shall be transferred to the medical assistance account prior to claims payment. This requirement does not apply to medical assistance reimbursement for services provided by an area education agency under part C of the federal Individuals With Disabilities Education Act. Funds received under [this section](#) shall not be considered or included as part of the area education agencies' budgets when calculating funds that are to be received by area education agencies during a fiscal year.

8. Students or their parents or guardians covered by a federal health care program shall provide health care information to an area education agency or local school district.

9. The department of education and the department of health and human services shall adopt rules to implement [this section](#).

10. The department of health and human services shall offer assistance to the area education agencies in the identification of children eligible for reimbursement for services under [this section](#).

[88 Acts, ch 1155, §1](#)

[C89, §281.15](#)

[89 Acts, ch 296, §25; 91 Acts, ch 125, §1, 2; 92 Acts, ch 1021, §1](#)

C93, §256B.15

94 Acts, ch 1120, §12; 2000 Acts, ch 1223, §24; 2001 Acts, ch 41, §1, 2; 2006 Acts, ch 1030, §32; 2008 Acts, ch 1181, §23; 2010 Acts, ch 1016, §6; 2023 Acts, ch 19, §999

Subsections 7, 9, and 10 amended