

Indiana Schools Billing Medicaid

Why are schools billing Medicaid?

The Individuals with Disabilities Education Act (IDEA) allows some Individualized Education Program (IEP) services to be reimbursed by Medicaid. School districts optimize the use of financial resources by billing Medicaid when possible.

What can schools bill Medicaid for?

School corporations can only bill for medically related services required per an eligible student's IEP. Examples of Medicaid-covered IEP services include: mental health, nursing, therapy (physical, occupational, applied behavior analysis/ABA) and audiology services.

How do schools use the money they receive from Medicaid?

School districts' use of Medicaid funds varies depending on local needs. Typically, Medicaid funds are used to help cover the excess costs of providing specialized services, equipment, training, professional development and supplies necessary for students with significant health care needs to access public education in the least restrictive environment.

Do schools need parental consent to bill Medicaid?

Yes. Schools are required by the Family Educational Rights and Privacy Act (FERPA) to obtain parent consent before disclosing information about a student with a disability. IDEA Part B regulations require schools to inform parents about Medicaid claiming for school services and obtain written consent to provide the student's information to the Medicaid agency for claiming purposes.

Will my school bill my private insurance as well?

Because there could be a cost incurred by the family, schools typically do not bill private insurance for IEP-required medical services.

If schools bill Medicaid, will Medicaid services that I receive outside of school be affected?

No. Services provided by the school per the child's IEP are authorized and reimbursed separately from Medicaid services obtained outside school from other Medicaid-enrolled service providers. If outside services have been affected, families are encouraged to share concerns or perceived errors with the Indiana Department of Education Medicaid Specialist (317-232-0570).

Does this process impact the school services my child will receive?

No. Schools are required to provide all IEP services even if the school does not bill Medicaid.

If you need further assistance, contact Indiana Family to Family.
1-844-323-4636 or
info@inf2f.org



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Where to get more information

Additional information, including the Medicaid Billing Tool Kit for Health-related IEP services, can be found on the School Medicaid Claiming page, located on the Indiana Department of Education website at

<https://www.in.gov/doe/students/special-education/school-medicaid-claiming/> .

Programs and systems change often. It is important to ensure that you are using the most current information. This fact sheet was updated February 2024. Please check <https://www.inf2f.org/fact-sheets.html> for the most recent edition.

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