



THE STATE EDUCATION DEPARTMENT / THE UNIVERSITY OF THE STATE OF NEW YORK / ALBANY, NY 12234

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Robert J. Scalise, Coordinator

To: Select Superintendents of Public School Districts
Select School District Business Officials

Date: March 2006

From: Robert J. Scalise, Coordinator - Medicaid Services Unit
Harold Matott, Coordinator - STAC and Special Aids Unit

Robert J. Scalise
Harold Matott

Subject: **Proposed Change** to Funding Mechanism for Students residing in an Intermediate Care Facility (ICF)(Chapter 721 of the Laws of 1979) or a Childrens' Residential Project (CRP) pursuant to Education Law Section 3202.5 (Effective Date July 1, 2006).

In order for the State to reimburse the educational costs of a student with a disability placed in an Intermediate Care Facility (ICF) or Children's Residential Project (CRP-ICF), New York State Education Law and regulations require that the school district in which the facility is located or the school district where the parent resides (residential school district) shall be responsible for assuring the provision of education to children placed in such facilities. Currently the tuition for students educated in the ICF or CRP is paid by the State directly to the service provider.

Under the latest funding proposal, the school district responsible for assuring the provision of education services to students will be required to contract with and pay the education provider for services at the SED-approved rate. That school district will subsequently be reimbursed by SED at 100% of the approved costs. The school district of residence will be assessed an amount equal to that district's basic contribution amount in the following year.

Your district has been identified as a district that may be responsible in 2006-07 for a student residing in an ICF or CRP. If so, your district may be required to contract with and pay the ICF or CRP for education services provided to your student or students. This means that you should now be planning on additional resources in your budget to make these payments should this proposal be accepted.

If you have any questions, please contact Harold Matott at hmatott@mail.nysed.gov or by telephone at (518) 474-7116 or Robert Scalise at rscalise@mail.nysed.gov or by telephone at (518) 474-8856.

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