TO: District Business Officials  
FROM: Edgar Waaler, Education Finance Specialist  
SUBJECT: State Supported (§4201) Schools - Tuition Payment and Medicaid Billing Responsibility Effective September 1, 2013

This is to review important reimbursement changes for placements at the eleven State supported (§4201) schools across the State of New York:

- Cleary School for the Deaf
- Henry Viscardi School
- Lavelle School for the Blind
- NY Institute for Special Education
- Rochester School for the Deaf
- New York School for the Deaf
- St. Mary’s School for the Deaf
- Lexington School for the Deaf
- Mill Neck Manor School for Deaf
- St. Joseph’s School for the Deaf
- St. Francis de Sales School for the Deaf

These schools are designated for children who are deaf, blind or may have multiple disabilities. The NYS School for the Deaf at Rome and the NYS School for the Blind at Batavia are State operated schools, not §4201 State supported schools, and are not affected by these changes.

District of Residence Responsible for Payment of 10-month (September – June) Tuition

Starting September 1, 2013, the 10-month tuition for each student attending a §4201 school shall be paid by that student’s current district of residence. The §4201 school will bill the district of residence directly. In 2011-12 and 2012-13, tuition had been the responsibility of the student’s district at time of admission to the §4201 school.

The State of New York reimburses districts for 10-month tuition expense incurred for each approved §4201 school student, less the district’s basic contribution amount. An initial aid payment for September – December costs is made by the end of the school year. A second aid payment issued during the following school year covers the entire 10-month education program, including any reimbursement adjustments for the September – December period.

Districts of residence will be notified later this year of the verification process for reimbursement of §4201 school tuition. A final payment will be made to the district of admission for the remaining reimbursement due for tuition costs incurred for the 2012-13 school year.

The responsibility of districts of residence to pay 10-month tuition includes three to five year old students enrolled in a §4201 education program. Costs for children attending a §4410 preschool program for Preschoolers with a Disability at a State supported school will continue to be the responsibility of that preschooler’s county of residence and handled like any other §4410 preschool program. District responsibility for summer (July – August) §4201 placements is recovered through a chargeback process, and is not affected by this change.

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District of Residence to Submit for Medicaid Reimbursement of Eligible Services

With the recent change in the School Supportive Health Services Program (SSHSP), §4201 schools may not bill Medicaid for reimbursement of Medicaid-eligible services delivered after the 2012-13 school year. Therefore, effective September 1, 2013, any claiming for eligible services delivered by §4201 schools during the 10-month September – June school year must be billed to Medicaid by the student’s district of residence.

The district of residence must have a signed Provider Agreement and Statement of Reassignment from the §4201 school, and ensure that the §4201 school maintains the appropriate Medicaid documentation to support any SSHSP billing. Please refer to Medicaid in Education Alert 13-06 for further information:


STAC Online System – New DSSSY Screen for 2013-14 Approvals

The STAC Unit is currently verifying with 4201 schools those students continuing their placement to the 2013-14 school year. Records for these September – June service approvals will be available by September 1st for online review by your district on a new DSSSY screen. The STAC Online System is accessible through the “EFRT Online Sign-in” link on the STAC web page http://www.oms.nysed.gov/stac/.

This past April, each district of residence on record was asked to confirm their students at 4201 schools, and advised of the transfer in tuition payment responsibility. Districts of residence will receive a listing of 2013-14 students in early October to confirm that our records are current. New or amended service approvals will be entered into the Online System by the STAC Unit upon notification of approval by the NYS Education Department, Office of Special Education Nondistrict Unit. The Nondistrict Unit must be contacted whenever a there is a change in a 4201 student’s District of Residence.

Note: 4201 schools can view a summary of all approvals by using the DQAPP screen, and individual placements on the DQPRT screen.

If you have any questions, please contact Adam Lenhardt or Ed Waaler in the STAC Unit at (518) 474-7116.

cc:  CSE/CPSE Chairpersons
     Regional Information Centers (RIC)
     4201 Schools