

Medicaid School-Based Services

Vermont Agency of Education & Agency of Human Services

May 9, 2025

Medicaid School-Based Services (SBS) Program Overview

- Medicaid pays for medically necessary health services and Medicaid administrative claiming (MAC) activities provided to eligible students in Vermont schools.
- To be eligible for Medicaid reimbursement for health services provided in the school setting, a student must:
 - Have an Individualized Education Plan (IEP) or Individualized Family Service Plan (IFSP) that includes the medically necessary health service(s), and
 - Be enrolled in Vermont Medicaid
- Medicaid payments are made to school Supervisory Unions (SUs) or Local Education Agencies (LEAs), as school staff are the providers of health services and MAC activities.
- All LEAs actively participate in the Medicaid SBS program.

Covered School-Based Services & Providers

Covered Health Services:

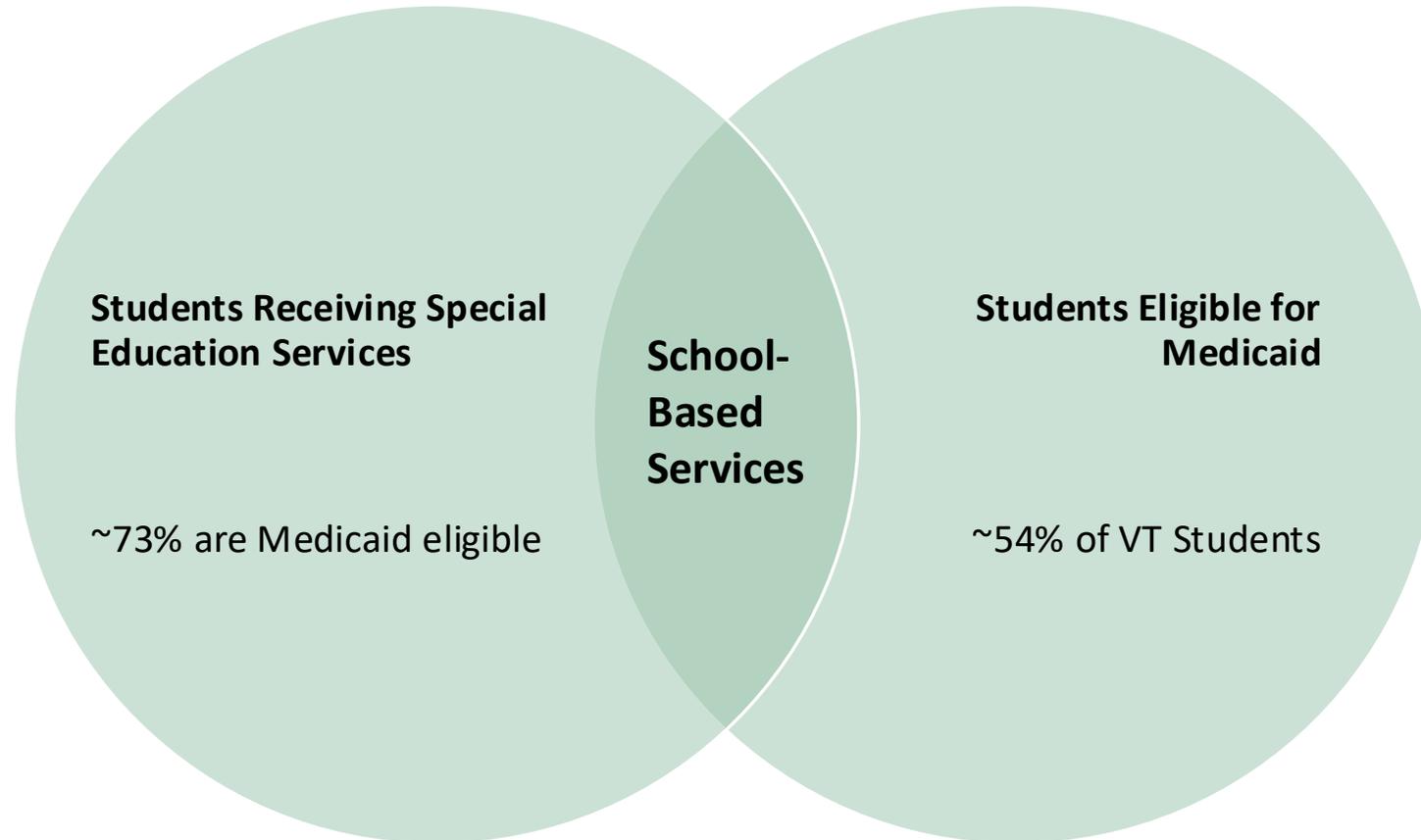
- Assessment and evaluation
- Developmental and assistive therapy
- Medical consultation
- Counseling
- Nutrition services
- Occupational therapy
- Physical therapy
- Rehabilitative therapy
- Personal care
- Vision
- Speech/Hearing/Language services
- Case management
- Medical transportation

Qualified Providers for Health Services:

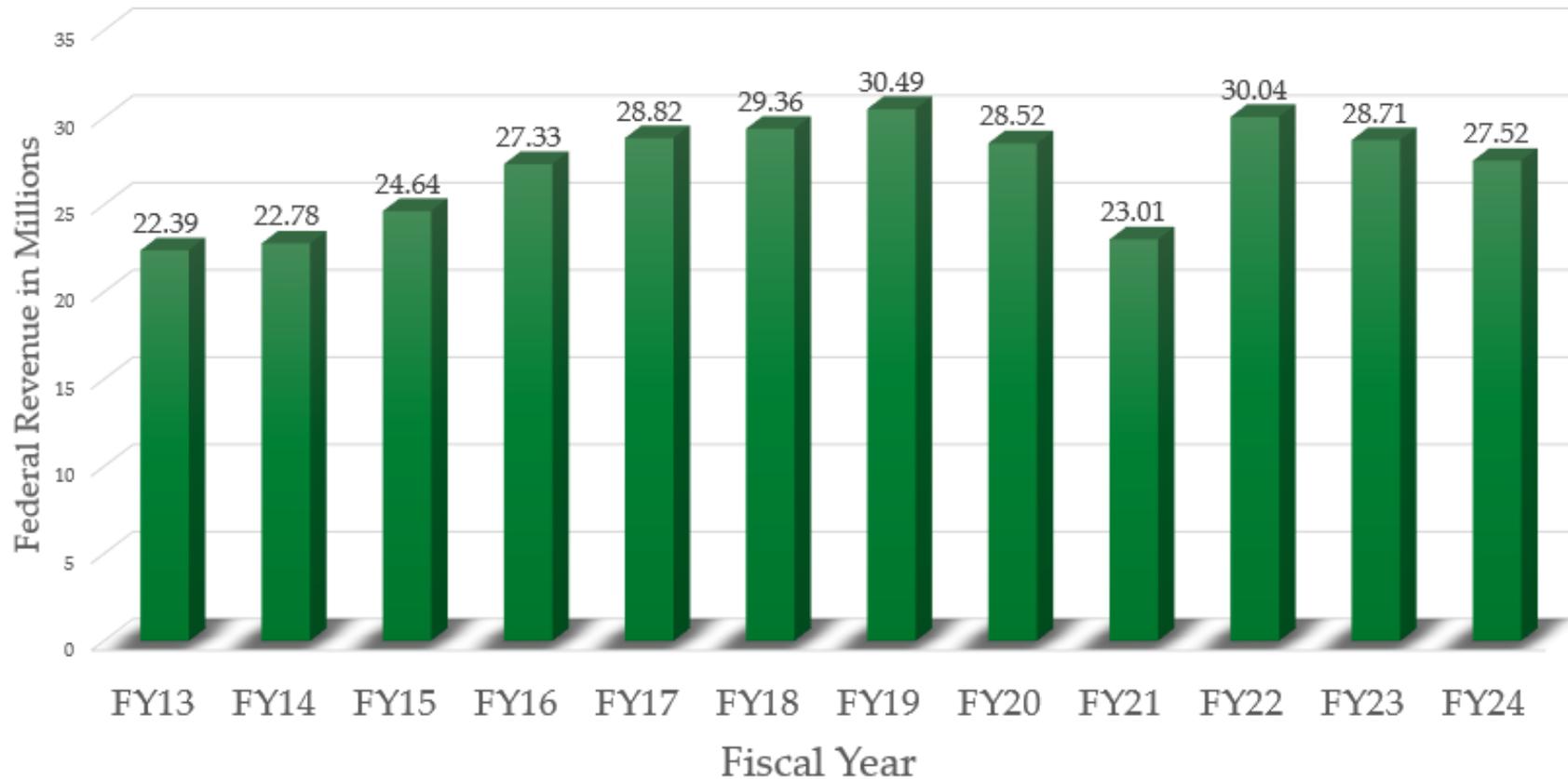
(will vary based on who school employs or contracts with)

- School nurse
- Speech/language pathologist and aide
- Physical therapist and aide
- Occupational therapist
- Instructional assistant
- School psychologists
- School counselor
- Social worker
- Certified mental health counselor

Medicaid Eligibility in Vermont Schools



School-Based Health Services (SBHS) Total Revenue Trends



SBHS Medicaid Funding Flow

Education Medicaid Receipts – 16 V.S.A. § 2959a

Federal revenue from the SBHS program supports both School Districts and the State

- **50% granted by AOE to Supervisory Unions / School Districts**
 - Paid out by AOE in five grant payments each fiscal year
 - Amount is proportional to paid claims
 - Funds must be used for intervention or prevention programs, reported to AOE
- **50% retained by the State of Vermont**
 - Up to 30% may be used by AHS and AOE for program admin costs
 - As appropriated by the General Assembly
 - Any remaining funds are deposited into the Education Fund

School-Based Health Services Federal Revenue to Schools

Fiscal Year	Total SU 50% Grant Awards (in Millions)	Ed Fund Deposit (in Millions)	Total Federal Revenue to Schools (in Millions)
FY24	\$13.6	\$8.5*	\$22.1
FY23	\$14.1	\$10.3	\$24.4
FY22	\$14.4	\$11.4	\$25.8

*Represents 0.4% of Education Fund

Federal Context & Future Considerations