



Special Education in Tennessee & Medicaid

Tennessee School Districts are allowed to receive reimbursement from Medicaid for eligible IEP services.

Section 300.154 (a)(1) of the Individuals with Disabilities Education Act (IDEA) requires Medicaid (for Tennessee, this is TennCare) to be primary to the U.S. Department of Education for the payment of the health-related services provided under IDEA.

What health-related school services are eligible to be reimbursed by Medicaid?

Medically necessary Speech Therapy, Occupational Therapy, Physical Therapy, and Audiology are all eligible services when they are in your child's IEP.

How will my child benefit from the schools receiving Medicaid reimbursement?

The reimbursements from Medicaid are required to be used specifically on special education needs. This adds to the amount of money schools will have to spend on services for special education students.

If the school receives reimbursement from TennCare for my child's therapy services, will my child still be able to receive these services outside of the school?

Yes. As long as the school and a private agency do not duplicate the same service on the same day, the child is eligible to continue getting services outside of school as well as at the school.

What if I do not want the school to receive reimbursements from my child's TennCare?

Although there is no impact or change to your child's services or insurance coverage, IDEA does require the school to obtain parent's permission before accessing their state Medicaid.

Will the school bill private insurance?

No. Private insurance policies often have annual limits on the amount of services they will pay for. No private insurance will be billed by your school district.



What if my child does not have TennCare?

The school will continue to provide all of the services described in your child's IEP, regardless of TennCare eligibility.

Doesn't the school district already receive Federal funding for Special Education services?

Yes, however, IDEA funds are limited and do not cover all Special Education expenses.

For more information about your school district's Medicaid reimbursement program, please contact the Special Education Department.